DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 41 Section 1 February 18, 1928.

THE PRESIDENT ON EXPENDITURES AND TAXES

President Coolidge hopes that Congress will not be so liberal with its appropriations this session as to eat up the surplus and make tax reduction impossible. Already Congress has exceeded the budget estimates in two appropriations and the President is aware that, with flood relief and other emergency measures still to be considered, there is danger of not only wiping out plans for a tax reduction but the possibility of encountering a deficit if appropriations are not held down. (Press, Feb. 18.)

COTTON LOAN ASKED

An appropriation of not less than $5,000,000, to be loaned to farmers in the cotton producing sections of the United States who have suffered from the ravages of the boll weevil, and who are unable to secure loans to make their crops for this year, was advanced before the Director of the Budget Feb. 16 by Representatives Fulmer of South Carolina, McKeown of Oklahoma and Members from other Southern States which have suffered from the weevil. (Press, Feb. 17.)

FOOT AND MOUTH IN IRELAND

A Dublin dispatch to-day states that after enjoying complete immunity while the foot and mouth disease has been striking England and Scotland, Ireland has finally been affected, following an outbreak in Wexford. All Irish ports to the north and south have been closed to livestock traffic.

ENGLISH COTTON CONDITIONS

A Manchester dispatch to-day says: "A grave crisis in the cotton trade has been averted, at least temporarily, by a surprise move by the employers in inviting the operatives' unions to a joint conference next Tuesday, and acceptance of the invitation by the unions. It had been reported that the employers contemplated insisting upon a reduction of wages by 12½ per cent and an increase of working hours from forty-eight to fifty-two. The unions had consistently declined to discuss these proposals and a deadlock had been reached...."

PAN-AMERICAN RELATIONS

A Havana dispatch to the press to-day says: "The Pan-American Conference did two specific things yesterday. It embraced what is believed to be the first workable method by which arbitration may be established and it ran away from the dangerous question of intervention in the belief that any further discussion of it would do more harm than good. There was complete unanimity on both subjects, and the United States delegation is very well satisfied with the outcome. It was felt that to get something definite done on the matter of arbitration was of great value, and so it was decided that jurists representing the American republics should meet in Washington within the next year to draft an arbitration convention, with the conviction that by concentrating on that one question something might be accomplished...."

Section 2

Agricultural Research Financing

The press of Feb. 16 says: "Regardless of what action may be taken by Congress in behalf of the farmer, a more liberal policy of the Federal Government in financing research needed to solve pressing agricultural problems will be necessary, representatives of fifteen national and farm organizations insisted in a hearing held Feb. 15 before the subcommittee on agricultural appropriations of the House. This group of organizations, headed by the American Farm Bureau Federation, the National Grange and the Vegetable Growers' Association of America, and supported by other national organizations representing allied industries, have heretofore laid their programs before Dr. A.F. Woods, Director of Research, Department of Agriculture; Secretary of Agriculture Jardine, Herbert M. Lord, Director, Bureau of the Budget, and President Coolidge. Spokesmen of the group pointed out that while the Budget Bureau had been more liberal this year than heretofore in making the budget for research in the Department of Agriculture, nevertheless this increase is insufficient to meet the ever-growing technical problems of the American farmer. It was pointed out that investments in research in the Department of Agriculture have returned dividends to the House at the rate of $500 for $1."

Citrus Survey

A Kingston, Jamaica, dispatch Feb. 17 says: "Professor H. Clark Powell of the Transvaal College, Pretoria, is here investigating the citrus industry on behalf of the Empire Marketing Board and the South African Cooperative Citrus Exchange. He will visit British Honduras, California and Florida."

Cotton Consumption

An editorial in The Wall St. Journal for Feb. 17 says: "On February 14 King Cotton received a nice valentine. The Bureau of the Census gave it to him. It was in the form of a report that in January the domestic mills consumed 582,417 bales of lint cotton, or 38,819 more than in December. The interpretation placed on this report is to the effect that notwithstanding the pessimistic views so widely held, domestic consumption is turning upwards....Naturally, it makes the King feel good, because with such a carryover and a crop no larger than that of 1927 the total supply would barely equal world consumption. Even the bare possibility of such a happening is pleasing to the producers of cotton...."

Grain Consumption and Horse Decline

An editorial in Western Breeders Journal for Feb. 1 says: "We will let it go without argument that replacing the farm horse by machinery has helped the farmer in a number of cases. But how much has it hurt him? How much has the machine age taken away from agriculture that it has failed to return? Grain consumption has been enormously curtailed in the last few years. By reason of the decrease in the use of horses and mules alone the 1927 consumption of grain in this country was fifteen billion pounds less than in the average year from 1910 to 1924. That means eliminating about thirteen million acres from wheat production; a very substantial matter. This is no guesswork. The figures are authentic--Secretary of Agriculture Jardine is authority for them. We would not attempt to stop a normal increase in the use of farm machinery; neither are we reconciled to the opinion that the farm horse has run his course. As a matter of fact--indisputable fadt, at that--we know that some of our most successful farmers are those who have retained their faith in the horse to the extent of keeping him as their most indispensable machine--a machine for which they can produce their own fuel at their own plant."

Irish Farm Credits

The Irish Statesman for Feb. 4 says: "The establishment of the Agricultural Credit Corporation, which will shortly be opened for business, is an important step forward in the rural reconstruction of Ireland. The provision of adequate credit facilities is an essential condition of any program of agricultural reform; without credit, the most ambitious schemes of improvement of production and marketing must remain sterile. The Irish farmer is better equipped with credit than any other farmer in the world in one respect, namely, land purchase. The British, and, later, the Free State, Governments have advanced large sums of money to enable tenants to acquire their holdings. The very facility with which land may be purchased in Ireland has, however, rendered the credit difficulty in other directions more acute...The new Agricultural Credit Corporation will deal with the provision of loans for farmers in every conceivable form. It will make advances to co-operative credit societies, to other types of cooperative societies and to individual farmers. It will act, moreover, as a clearing house for the deposits of local societies and will thus coordinate the thrift and credit sides of the Raffeisen scheme. While there is no reason why the Corporation should not prove quite a profitable enterprise, the essentially cautious Irish investor will probably fight shy of such a novel type of business. The Government has consequently made itself responsible for a large part of the capital of the new institution. This is a perfectly legitimate and proper use of public money and is part of the Government's general program of lowering the expenses of agricultural production. Additional capital will be raised by the issue of debentures secured on land and guaranteed by the Government up to a limited amount each year. The scheme is quite conservative and cautious and is modeled on lines long since familiar in other countries where the duty of the State to agriculture is more fully realized than in Ireland. Provision is also made for the securing of advances on the farmer's floating capital by means of a legal instrument known as a 'chattel mortgage.'...When the Corporation is opened for business the farmers, large and small, will have no more reason to complain regarding facilities for credit...."

Mellon on Federal Reserve Limitations

"Neither the Federal Reserve System nor any other system can control prices," said Secretary of the Treasury Mellon in a speech delivered at Charlotte, N.C., on the occasion of the opening in that city of a branch of the Federal Reserve Bank of Richmond.... "The work which the Federal Reserve System is doing is along sound, constructive lines. But the greatest mistake would be to expect the impossible. It is not a panacea for all the financial and economic ills which may befall the country. Neither the Federal Reserve System nor any other system can control prices. The most that System can do is to influence to a limited extent, from time to time, the total volume of credit and its cost. While credit is one factor in influencing prices, it is neither the only factor nor the controlling one; and it would be asking the Federal Reserve System to perform the impossible if it is to be charged with the responsibility for controlling prices merely because it can exercise a limited control over the amount of credit available...." (Am. Bankers Assoc.,Jour.,February.)

Mississippi Development Board

Every proposed law affecting the economic life of Mississippi must now run the gauntlet of analysis and inspection by the Mississippi State Board of Development and by a thousand or more leading citizens who are organized to see that in future the State makes as few mistakes as possible, according to a statement issued Feb. 14 by Fenner and Beane of New Orleans. At its inception, three fundamental problems engaged the attention of the Board--viz: the necessity for good roads, tick eradication, and public health. Each of these problems has now practically been solved. In its great work of cattle tick eradication, the State of Mississippi has extended its educational campaign to adjoining States with the idea of preventing reinfection within its own borders. An extensive milk canning plant at Starkville, Miss., has brought so much genuine prosperity to the newly developed dairying industry in that section as to arouse interest in every county. Pearl River County, not long ago a cut-over region of ugly stumps, now produces peaches, oranges, pears and vegetables in abundance. Other "cut-over" counties have taken a cue from Pearl River County. The Governor of Mississippi has just completed a tour of agricultural Europe with a view to improving agricultural economy in his own State.

State Forest Profits

A Trenton, N.J., dispatch to the press of Feb. 12 states that revenue derived from State forests during the year ended July 1 was equal to 18 per cent of their maintenance and development costs, according to a report Feb. 11 by State Forester C.P.Wilbur. He predicted an increased return during the current year and declared that eventually the tracts would yield a clear profit. Most of the income last year was from the sale of timber cut in thinning crowded areas. The sale of sand and gravel was another source of revenue. (N.Y.Times, Feb. 12.)

Sugar Situation

An editorial in Facts About Sugar for Feb. 11 says: "...It is evident in many ways that Europe takes a more cheerful view of the present sugar outlook than does the American trade. Comment from the other side of the Atlantic is more optimistic in tone, business is more active, and prices are better sustained. European refiners have bought raw sugar in fairly large quantities and stand ready to take more, while in the United States the trade in refined has been extremely dull since the first of the year and refiners, instead of buying in the volume that they usually do at this season, have been taking very little sugar and have reduced meltings. The difference is one of confidence. To the European market confidence appears to have returned, to a degree at least, while on this side of the ocean confidence is entirely lacking. Among jobbers and wholesalers the chances of profit are enhanced by the judicious timing of purchases, and it is among these branches of the trade that the rise or fall of stocks makes the difference between active and dull markets. The jobbing trade sees in the recent course of the raw sugar market a distinct lack of inducement to accumulate supplies, and until this attitude undergoes a change no active buying movement is likely to develop."

Taxation and Agriculture H. L. Russell, chairman of advisory council of the agricultural committee, American Bankers Association, writes on "What Taxation Is Doing to Agriculture," in American Bankers Association Journal for February. He says in part: "The net result of existing tax methods is imposing upon American farms a constantly increasing burden, the weight of which is now becoming so heavy many land owners are steadily sinking under the load. If this were merely an individual problem, where here and there a single person failed, it might easily be traced to incompetence or inefficiency. Such defects carry their own penalty. A jury trial is not necessary to convict. But where distress occurs widely in an occupational group, especially where such a group embraces so large a number as the farming class, the difficulty is more likely to be due to maladjustments that are man-made. If such a situation develops because of an imperfect functioning of an out-of-date system, it becomes a matter of national import to see if remedial measures can not be applied before the patient becomes a corpse..."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 17. Livestock quotations at Chicago: Slaughter steers, $13.25-$16.75; cows, good and choice, $8.50-$11.50; heifers, $11.75-$13.50; vealers, $15-$17; feeder and stocker steers, $10.75-$12.25; heavy weight hogs, $7.65-$8.05; slaughter pigs, $6.50-$7.35; slaughter lambs, $14.75-$16; feeding lambs, $14.50-$15.25.

New York and Pennsylvania Round White potatoes $2-$2.25 sacked per 100 pounds in eastern cities; $1.90-$1.95 f.o.b. Rochester. Maine sacked Green Mountains $2.45-$2.55; $2 f.o.b. Presque Isle. Wisconsin sacked Round Whites 65¢-$1.80 carlot sales in Chicago. New York Baldwin apples $7-$7.50 per barrel in New York City; one car $7.25 f.o.b. Rochester. Eastern Yorks $7.50-$7.75. Michigan Jonathans $9-$11 in Chicago. Florida Pointed type cabbage $1.25-$1.65 per 1½ bushel hamper in the East. New York Danish Type $13-$20 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. New York and Midwestern yellow onions closed at $2.35-$3 sacked per 100 pounds in consuming centers; $2.35-$2.40 f.o.b. Rochester.

Average price of Middling spot cotton in 10 designated markets declined 4 points to 17.64¢ per lb. March future contracts on the New York Cotton Exchange declined 7 points to 17.86¢, and on the New Orleans Cotton Exchange they were unchanged at 17.80¢. On the Chicago Board of Trade March futures were up 7 points, closing at 17.83¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis, $1.55-$1.59. No.2 hard winter at Kansas City, $1.40-$1.46. No.3 mixed corn at Chicago 94½¢; Minneapolis 86-88¢; Kansas City 86½-89½¢. No.3 yellow corn Chicago 96¢-$1; Minneapolis 89-91¢; Kansas City 88-91¢. No.3 white oats at Chicago 55-58¢; Minneapolis 52½¢-54½¢; Kansas City 54-56¢.

Closing price on 92 score butter at New York was 44¢.

Closing prices of No.1 fresh American cheese at New York were: 29-29½¢. Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 42 Section 1 February 20, 1928.

THE PRESIDENT ON FLOOD CONTROL President Coolidge holds to his view that local communities should bear part of the expense of Mississippi flood control, despite the approval given by a House committee to a bill which would require the Federal Government to foot the bill. In addition to standing by the administration program, the President has under consideration the advisability of appointing a special body to determine just how much communities in the Mississippi flood region can contribute toward carrying out flood control work in the event Congress is unable to obtain this information itself. The President, it was learned Feb. 17, has inquired in various quarters regarding the possibility of Congress finding out the capacity of southern communities to contribute to the Federal funds. (A.P., Feb. 18.)

PAN-AMERICAN RELATIONS A press dispatch to-day from Havana says: "The Pan-American conference will wind up its sixth session to-day with peace and amity written on its minutes, even though under the surface there is a marked demarcation between the Latin-American Republics in their alliance of friendship with the United States....There have been three outstanding accomplishments in the conference. They are an arrangement for arrangement for arbitration, which will be worked out during the next year and which promises to result in a definite machine for the settlement of disputes; the reorganization of the Pan-American Union without any political entanglements, and the beginning of the codification of international law, at least so far as it applies to the American continent. The matter of neutrality was the only thing in the law code which was concretely submitted to the conference at this session, but it is believed that from this start the codification of international law may be worked out in future gatherings. The most interesting result of the conference, however, is the alignment of States. The United States has won for itself strong friends during the meeting, notably Peru, Chile and Brazil, who have sided with the United States on many important questions...."

PUEYRREDON RESIGNATION A Buenos Aires dispatch Feb. 18 states that the Argentine Government has accepted the resignation of Honorio Pueyrredon as Ambassador at Washington and also as president of the Argentine delegation to the Pan-American conference at Havana.

SAPIRO AS ORGANIZER The New York Times of Feb. 19 reports: "Carrying on his activities to introduce cooperative buying and marketing into loosely organized industries, Aaron Sapiro on Feb. 18 became president of a new organization of independent motion picture theatre owners known as the Motion Picture Exhibitors Association of New York...."

Section 2

Ford on Power of Machinery

Henry Ford is the subject of an interview by F.L.Faurote on the topic of "Machinery the New Mesiah" in The Forum for March. In this Mr. Ford is quoted as saying: ".....There are three basic industries in the world; growing things, making things, and carrying things. Farming is the first important industry. At the present time farming needs to be completely revolutionized. The poor farmer--owning a few acres, a house, a barn, a few odd buildings, some horses, and a few cows, pigs, and chickens, and farming in the old way--can not hope to rise very high in the economic scale. Even with the automobile and radio, life on the farm still has its drudgery....Large corporations, whose sole business it will be to perform the operations of plowing, planting, cultivating, and harvesting, will supersede the individual farmer, or groups of farmers will combine to perform their work in a wholesale manner. This is the proper way to do it and the only way in which economic freedom can be won. Power and machinery on the farm will make big production possible and solve the so-called 'farmers' problem.' Under these new conditions the pleasure of living in the country will return, and with faster and faster methods of transportation, the improvement of the radio, and the coming of television, the lonesomeness of farm life will disappear and only the pleasurable qualities remain. Furthermore, man power will be released to carry on the two other great industries--manufacture and transportation--and by this means their cost will ultimately be reduced, waste eliminated, prices lowered, with the result that the general welfare of the world will be still further extended. Food is one of the most important commodities with which we have to deal. I am becoming more convinced every day that we should spend more time in the study of food and how to eat it. Most of us eat too much. We eat the wrong kind of food at the wrong time and ultimately suffer for it. We must find a better way to feed ourselves and provide our bodies with what they need for replenishment and growth. Hitherto, we have spent more time in studying methods of repairing machinery and of renewing mechanisms than we have in studying this fundamental problem of human life....Machinery is accomplishing in the world what man has failed to do by preaching, propaganda, or the written word. The airplane and radio know no boundary. They pass over the dotted lines on the map without heed or hindrance. They are binding the world together in a way no other systems can. The motion picture with its universal language, the airplane with its speed, and the radio with its coming international program--these will soon bring the whole world to a complete understanding...."

Illinois Institute and Farm Legislation

President Coolidge was called on in a resolution adopted Feb. 17 by the Illinois Farmers' Institute to sign the McNary-Haugen bill for agricultural relief, according to a dispatch from Waukegan, Ill. This says, further: "That the Government hold aloof from any further increase of the already too large area of Illinois tillable land by refusing to participate in the development of the Columbia River Basin and the Boulder Dam projects, was another demand. They also urged completion of the Inland Waterways System and adoption of a national flood control policy."

National Forests

An editorial in The New York Times for Feb. 17 says: "Several weeks have passed since the Senate Committee on agriculture and forestry reported favorably the McNary-Woodruff bill to provide funds for the purchase of additional forest lands in various parts of the Union. An amendment was accepted to make $1,000,000 available immediately of which as much as necessary was to be used for the acquisition of the last stand of virgin timber in New Hampshire near the Mad River district. Were it not for the fact that the option on this tract expires on April 1, 1928, there would be no special urgency about this measure. It is to be hoped that it will be acted upon in time to insure the purchase of this area, which adjoins the present White Mountain National Forest, and which is one of the finest forests in New England....The McNary-Woodruff bill provides that a fixed sum shall be available each year until 1936, totaling $40,000,000, to be applied to the enlargement and improvement of the forests....The policy of the Federal Bureau of Forestry is to permit grazing and lumbering in the forests under strict regulation. No tree may be cut without the authorization of the service....This is, of course, moving in the direction of the European system of regarding trees as crops which are to be harvested much like others. It implies the gradual transformation of the wilderness into a well-kept forest. This is urgent in view of the march of civilization and the enormous consuming capacity of the American people, who demand the major share of the world's wood."

Russell on Irish Conditions

George Russell, author, and editor of The Irish Statesman, now visiting this country, said in an address at Washington, Feb. 16, that he regarded as an important step in Ireland's progress the organization of the Irish agricultural cooperatives under the leadership of Sir Horace Plunkett, in which he himself took a considerable part. Next came the national labor movement, which attempted to combine the rural and urban masses of people. The division of Ulster from the Irish Free State, Mr. Russell said, probably is a good thing for both sections for the present. If the northern counties had been included in the South Ireland State, he said, it would have been necessary for the latter to submit to various compromises to secure harmony, which would have hindered seriously the growth of a purely Irish culture, upon which the success of the Free State depends. "There is," he said, "a fundamental friendship between the two sections which is far deeper than those issues that lead to discord." He contended that the Irish Free State is showing the world a remarkable example of honest government and economic revival, due to the fortunate circumstance that some of the leaders of the revolution happened to be men of splendid administrative ability. This is a condition, he said, which rarely has been met with in the world's history. (Press, Feb. 17)

Russian Conditions

H.J.Greenwall, Paris Correspondent of the London Daily Express, in a recent dispatch to that journal, says:"....I am convinced that the world revolutionary movement has been dropped. Instead of Great Britain and the Continental countries being riddled with Soviet agitators trying to cause strikes, we shall find many Soviet spies....I believe, too, that the next great Russian sensation will be the break between the Red International and the Soviet Government. This, of course, is a matter of time, but I do not think it is a possibility which should be ruled out when dealing with Russian affairs. After all, six months ago who would have believed that Leon Trotzky, Karl Radek,

and the others would be sent into exile by Joseph Stalin, a man whom nobody outside Russia even knew?"

Taylor on Tariff "It may be contended that the sound policy is to reduce tariff protection on many industries which have enjoyed untold prosperity in recent years, but as a matter of practical politics there is no possibility of this coming to pass." This was the statement of Dr.Henry C. Taylor of the institute for research in land economics and public utilities, Northwestern University, in an address at Waukegan Feb.16 before the Illinois Farmers' Institute. Doctor Taylor predicted that the protective tariff would be extended to farm products. Such a move, he said, "Is believed to insure quicker relief for agriculture and less disturbance to other occupations than any other form of farm aid. Agriculture could compete successfully with other industries if it had the advantage of prices in the home market somewhat above the general world price level," he said. "The consumers inside of the tariff wall will have to pay the price of this protection, just as in the case of other protected goods, which means the cost of living will be increased in the same way that protection of manufactures has increased the cost of equipment used in the production of food." (Chic. Jour. of Com., Feb. 17.)

Wholesaling Wholesaling, as a business function, was held to be essential to the economic development of the country by representatives of forty important distributing groups who attended the opening session of the National Wholesale Conference at Washington, Feb. 14, under the auspices of the domestic distribution department of the Chamber of Commerce of the United States. In spite of sweeping changes in the field of business, the development of hand-to-mouth buying and the rise of other agencies of distribution, such as the chain store, the unanimous conclusion was reflected in the discussion of the conference that wholesaling is an essential function of business and will not be displaced by other methods of transferring goods from producer to consumer. Sydney Anderson, president of the National Millers Association, chairman of the joint congressional committee which first took up the problem of distribution in the United States, asserted that business was in the grip of sweeping changes to which each business man must adapt himself but that the first important task was to ascertain their nature and their effects upon trade and industry.

Wool Market The Commercial Bulletin (Boston) for Feb. 18 says: "The wool market is still rising. Both in the local market and in the foreign markets prices are against the buyer by par to 5 per cent for the week. Fine wools in this market offer the greatest opportunity for business, medium wools being well nigh exhausted. About 110,000,000 pounds of wool are estimated to have been placed under contract in the range States of the West. Prices are fully maintained throughout the West. Manufacturers are making slight advances already on medium-wooled goods, initial openings of which were made about three weeks ago. Foreign markets this week are rising. Good clearances are reported in all primary markets."

World Radio A Milwaukee, Wis., dispatch Feb. 16 says: "Broadcasting stations in fifty-seven countries serve 90,000,000 persons with radio entertainment and information, Bond P. Geddes of New York, executive vice president of the Radio Manufacturers' Association, has estimated for the National Federated Radio Trade Association. No longer is radio a mere feature of the electrical industry, he said. 'It is a great industry, a new and wonderful agency of human communication and of human enlightenment.' He said the investment in this country alone for broadcasting stations is more than $20,000,000. Six hundred million dollars was his estimate of the total amount spent in 1927 for radio products. The industry, he said, gave employment to 300,000 persons."

Section 3
MARKET QUOTATIONS

Farm Products For week ended Feb. 18: Livestock quotations at Chicago: Heavy weight hogs, $7.85-$8.25; light lights, $7.25-$8.40; slaughter pigs, $6.65-$7.50.

Maine sacked Green Mountain potatoes $2.40-$2.65 per 100 pounds in eastern markets; $1.90-$2 f.o.b. Presque Isle. Florida Bliss Triumphs $2.50-$3 per bushel crate in leading city markets. New York Danish cabbage 60-85¢ sacked per 100 pounds in the East; $7-$8 bulk per ton f.o.b. Rochester. Texas round type $2-$3 per barrel crate in terminal markets; mostly $1.10 f.o.b. Lower Rio Grande Valley points. New York Baldwin apples $6.50-$7.50 per barrel in the East; few sales at $7.25 f.o.b. Rochester. Missouri and Kansas Ben Davis $7 in Kansas City. Onions, midwestern sacked yellow varieties $2.50-$2.85 per 100 pounds in city markets.

Closing price of 92 score butter at New York 45¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29½¢.

Average price of Middling spot cotton in 10 designated markets advanced 8 points, closing at 17.72¢ per lb. March future contracts on the New York Cotton Exchange advanced 11 points, closing at 17.97¢, and on the New Orleans Cotton Exchange they were up 8 points, closing at 17.88¢.

Grain prices quoted: No.2 red wheat at Chicago $1.52; Kansas City $1.46-$1.50. No.2 hard winter at Chicago $1.34½; Kansas City $1.28-$1.30. No.3 mixed corn, Chicago 94¢; Kansas City 86-88¢. No.3 yellow corn Chicago 96-98¢; Kansas City 87-89½¢. No.3 white oats, Chicago 57¢; Kansas City 54-56¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 43. Section 1 February 21, 1928.

COOPERATIVE MARKETING SUSTAINED

Implied approval was given the cooperative marketing laws of 42 States by the Supreme Court yesterday in sustaining the Bingham act of Kentucky, aimed to control the cooperative marketing of tobacco. Assailed by the Liberty Warehouse Co. of Maysville, Ky., as an invalid attempt to create a monopoly, as a restraint upon interstate commerce and as an abridgment of the rights and privileges of those engaged in business, the court, in a decision by Justice McReynolds, declared that the statute which penalized the warehouse company for selling tobacco belonging to a member of the Burley Tobacco Growers Cooperative Marketing Association impaired no constitutional rights and was valid. It sustained the right of associations or corporations to be organized with membership limited to agriculturists under contracts for the purchase and sale of farm products. States, it asserted, may relieve such organizations from the operation of laws relating to monopolies and unlawful combinations. (A. P., Feb. 21)

McFADDEN BANK BILL

The McFadden bill, under which State banks would be eligible to become Government depositories, was passed yesterday by the House and sent to the Senate. Under the present law, they may serve as depositories for only postal savings funds, funds from an insolvent national bank and proceeds from the sale of bonds and certificates of indebtedness. (Press, Feb. 21)

PEACH FREIGHT

A reduction in rates on peaches from Georgia, North Carolina, and South Carolina to all principal consuming markets in the United States was ordered Feb. 18 by the Interstate Commerce Commission, effective April 28. The decrease, it was estimated, will reduce railroad revenues on the peach traffic by $500,000 annually. To guide the railroads, the commission held that the peach rates from Southern producing districts should be fixed at 47 per cent of the corresponding first-class freight rate between the point of origin and point of destination on movements to the East and Northeast and to Southern territory. To the Northwest the rate should be approximately 50 per cent of first class. (Press, Feb. 19)

LAND-GRANT COLLEGE ENROLLMENT

A total of 142,779 resident students were enrolled during 1925-26 in fifty-two land-grant colleges of the United States, according to information made public through the Bureau of Education of the Department of the Interior. These figures do not include enrollments in the seventeen colleges conducted exclusively for negroes.

RUBBER PLEA REJECTED

A London dispatch to-day says the British Government has refused a request by the Rubber Trade Association for assurance that the Stevenson restriction scheme would be continued until Oct. 31, according to an announcement by Premier Baldwin in the House of Commons yesterday.

Section 2

Accounting Methods of Cooperative Creameries

An editorial in The Dairy Record for Feb. 15 says: "As expected, the advance crop of cooperative creamery reports bears witness to the need of a standardized system by which stockholders may be given an accurate picture of the financial standing of their factories, and by which comparisons with other creameries may be made. There is such a lack of proper accounting methods that many of the reports are found to be almost worthless as sources of information..... A means of making comparisons would prove very valuable to cooperative creameries or, for that matter, to all creameries of the same class, but one thing is certain, and that is that such comparisons are almost impossible under the wide range of accounting methods used today. Some progress has been made in bringing about a standardized system, but there is a long road yet to be traveled before uniformity has been brought about."

Butter Advertising

An editorial in Dairy Produce for Feb. 14 says: " 'There is, as you know, a vital story to be told about butter. It is not now being told. Every day that this is delayed the dairy industry loses. Whenever a person learns the real food value of butter it helps every creameryman regardless of where he is located.' The foregoing is the first paragraph in a letter from Dr. C. W. Larson, director of the National Dairy Council. In this letter he calls attention to the lack of funds to bring this story of butter out in the big way it could be brought out, and then reminds us that a tremendous amount of work can be done and much progress made toward getting the story across if we will make more extensive use of the means we have at hand..... One way he mentions of telling this story of butter to millions of persons every day is to see that some slogan is placed on every carton of butter..... Doctor Larson will soon issue a number of these slogans, and he should have the unanimous cooperation of all manufacturers and distributors of butter to get the message of butter to the people in the way he suggests....."

Canadian Honey

A bulletin recently issued by the Canadian Pacific Railway quotes the recent statement of Canada's Trade Commissioner at London to the effect that the United Kingdom is the best market for Canadian honey. The commissioner's suggestion that this market be fully developed, says the bulletin, is the more important in view of the fact that the total honey imports of the United Kingdom in the last year for which figures are available amounted to 64,100 hundredweight, more than half of which came from the United States and the West Indies.

Cattle Tariff

An editorial in Chicago Journal of Commerce for Feb. 18 says: "The United States has a farm problem. Argentina also has a farm problem. Honorio Pueyrredon champions the cause of the farmers of his country. Doctor Pueyrredon, the Argentine Ambassador to the United States, was selected to head his country's delegation at the Pan-American Conference. In that capacity he has insisted that the proposed Pan-American Union agreement shall contain a clause declaring against tariff barriers between the nations of the western hemisphere. In other words,

he wants Argentine cattle admitted to the United States at a low duty, or at no duty at all. Doctor Pueyrredon knows well that the United States would not permit her tariff rates to be beaten down by the other nations at the Pan-American Conference, or by any nation or group of nations anywhere. But as Argentine farmers dislike the American tariff, Doctor Pueyrredon insists upon championing their dislike. When his government orders him to sign the Pan-American Union agreement dispite the absence of the anti-tariff clause, he resigns as delegate to the conference, and as ambassador to the United States. The American tariff as a whole is of chief benefit to American industry. The benefit it confers at present upon agriculture is comparatively small. Agriculture, which is resentful of the nature of our tariff structure, should be pleased to know that at least some parts of our tariff are of benefit to certain sections of American agriculture. The tariff on cattle is unquestionably a help to American cattle growers and cattle feeders. That is proved by the way the Argentine cattle growers are protesting against the American tariff."

Cornell Aid for Porto Rican Farmers

An Ithaca, N. Y., dispatch Feb. 19 says: "Representatives of Cornell University have been invited by Porto Rican officials to make a survey of agricultural conditions on the island, with particular reference to the problems of tropical agriculture and the opportunity for intensive scientific research in that field. On invitation of Governor H. M. Towner of Porto Rico, President Livingston Farrand of Cornell, accompanied by the Dean of the New York State College of Agriculture, Albert R. Mann, and Doctor Lewis Knudson, professor of plant physiology, will sail for San Juan on March 1. In addition to Governor Towner and Dr. Carlos E. Chardon, Commissioner of Agriculture and Labor of Porto Rico, scientists and representatives of the National Research Council have conferred with Cornell officials regarding the work proposed....."

Grouse Situation

An editorial in Field & Stream for March says: "As long as records have been kept, ruffed grouse have suffered a periodic shortage in cycles of about ten years. Shooting has had absolutely nothing to do with these shortages..... The birds are always just as scarce in sections where no shooting has been permitted as in open covers. Rabbits die off every nine or ten years throughout their range. It has been the belief of many that when the rabbits disappear, vermin turn to the grouse in their fight against starvation..... Several years ago, a committee was formed at the National Game Conference of the American Game Protective Association to study the subject. The reports of this committee are very interesting. With the able assistance of scientific men, it has been established that the ruffed grouse suffers not from one disease, but from several. No cure or preventive has been discovered, and it is doubtful if man will ever be able to help the birds fight the scourge. At the present time the country is in the throes of a grouse shortage. The birds are just as scarce on private lands where no shooting is permitted as they are in covers which have been heavily shot. In sections of Canada.....when a grouse shortage was noticed, certain provinces closed the season against shooting. Some of our States have taken the same action. It is the belief of Field and Stream that a one-year closed season should be placed on grouse in every section where the evidence shows that the birds are at low ebb...."

Grain-Storing in Russia

An Associated Press dispatch from Moscow Feb. 19 says: "Alexander Petrovitch Smirnoff, Commissar for Agriculture in the Council of the People's Commissars, has resigned, failure to manage the grain-storing campaign being given in authoritative circles as a partial reason for his retirement. Grain products stored to January, 1928, scarcely amounted to 5,000,000 tons, compared with the more than 7,000,000 tons stored at the same time in the previous year, although the harvest of 1927 exceeded that of 1926. The newly appointed commissary, Nicholas Kubiak, is expected to take energetic measures to improve the existing grain-storing system and also to adopt a more serious attitude toward the peasantry who prove unwilling to deliver grain at fixed Government prices."

Louisiana Oranges

Louisiana has announced its intention of competing with Florida and California in the orange market, according to the press of Feb.19.

New Hampshire Extension Service

An editorial in New England Homestead for Feb. 11 says: "We call your attention to the report in this issue of Director J. C. Kendall, in which he tells of the work of the New Hampshire extension service for the past year. Director Kendall says nothing, however, of the hard work on the part of the extension force that made these results possible. That must be read between the lines. Extension workers know not the meaning of a labor union or the eight hour day. Farming is not run on that basis. Ever since its inception in 1914 the extension service has steadily grown all over the country, for it is filling a need as a connecting link between the college, the experiment station, and the farmer, translating the results of scientific research into methods of practical application on the farm. It works with the farmers through their own leaders, a fact that is conducive to a greater acceptance of new methods as they are advocated. Particularly interesting in Director Kendall's report is that part which tells of the work started with young farmers--boys between the ages of 15 and 21 years. Many of these boys, he states, are not in school, and are at the critical age when they must decide whether or not they are to stay on the farm..... Director Kendall's report leaves a mighty optimistic impression of the future of agriculture in New Hampshire."

Produce Transportation in Ireland

The Departmental Committee appointed by the Government of Northern Ireland in April, 1927, to inquire into (a) the cost of transit of farm produce; (b) the causes of the difference in prices obtained by producers and the prices charged to consumers; and (c) the methods of marketing agricultural produce generally, has now issued its report, according to the Journal of the (British) Ministry of Agriculture for February. The report states that the cost of transit of farm produce to the British markets is so high that there is a grave danger of a serious diminution in the export of Northern Ireland agricultural produce; examples are given which show that it is cheaper to convey produce to England from the United States and Germany than from Northern Ireland. The committee, therefore, recommends that commercial carriers should revise existing rates "in the most complete and sympathetic manner" with a view to aiding the agricultural industry. Whilst the difference between the prices realized by the producer and those paid by the consumer is dependent on many factors, it is, in the opinion of the committee, largely

determined by marketing methods. The existing system of marketing is condemned; the distributive chain is too long. In the committee's view, the discrepancy in price is caused, not by the immoderate profits of the individual, but by the small profits of the many; the present system represents the maximum competition amongst producers coupled with the maximum of alternative markets for buyers, and unnecessarily depresses prices. By the way of improvement, the committee strongly recommends cooperation of producers and the grading and standardization of supplies.

Section 3
MARKET QUOTATIONS

Farm Products

Feb. 20: Grain prices quoted Feb. 20: No. 1 dark northern spring Minneapolis $1.56 to $1.62 5/8. No. 2 red winter Chicago $1.56; Kansas City $1.48 to $1.52. No. 2 hard winter Kansas City $1.41 1/2 to $1.47. No. 2 hard winter Chicago $1.36 1/4 to $1.36 1/2; Kansas City $1.29 1/2 to $1.31 1/2; No. 3 mixed corn Chicago 95¢; Minneapolis 86 1/2 to 88 1/2¢; Kansas City 86 to 89¢; No. 3 yellow corn Chicago 96 to 99¢; Minneapolis 90 1/2 to 92 1/2¢; Kansas City 87 1/2 to 90 1/2¢; No. 3 white oats Chicago 55 to 58¢; Minneapolis 52 5/8 to 54 5/8¢; Kansas City 54 to 56¢.

Livestock prices quoted Chicago Feb. 20; Steers, good and choice $13.50 to $16.75; cows, good and choice $8.50 to $11.50; heifers, good and choice $11.75 to $13.50; vealers, good and choice $14.50 to $16.50; light hogs, medium to choice $7.50 to $8.55; lambs, good and choice $15.00 to $16.50.

Maine sacked Green Mountain potatoes sold at $2.40-$2.65 per 100 pounds in eastern markets. Wisconsin sacked Round Whites $1.65-$1.80 carlot sales in Chicago. Florida Bliss Triumphs $2.75 -$3 per bushel crate in Chicago. New York and midwestern sacked yellow onions sold at $2.25-$2.90 per 100 pounds in consuming centers; $2.35-$2.40 f.o.b. Florida pointed type cabbage $1.25-$1.75 per 1½-bushel hamper in eastern cities. Texas round type $2.25-$3 per barrel crate in terminal markets. Eastern York Imperial apples and New York Baldwins sold at $7.50-$8 per barrel in New York City. Michigan Baldwins $8-$8.50 per barrel in Chicago.

March future contracts on the New York Cotton Exchange to-day advanced 12 points to 18.09¢, and on the New Orleans Cotton Exchange they advanced 8 points to 17.96¢. On the Chicago Board of Trade March futures advanced 10 points to 18.08¢. The average price of Middling spot cotton in 10 designated markets advanced 14 points to 17.86¢ per lb. On the same day last year the price stood at 13.42¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 45 cents; 91 score, 44½ cents; 90 score, 44 cents. Wholesale prices of No. 1 American cheese at New York were: Flats, 23½ to 24 cents. Held Cheese Prices. Flats, 29 to 29½ cents; Single Daisies, 29 cents; Young Americas, 29½ cents. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 44 Section 1 February 23, 1928.

DAIRY CONGRESS DELEGATES The Senate Feb. 21 passed a resolution, already passed by the House, authorizing President Coolidge to accept the invitation of the British Government to appoint delegates to the eighth international dairy congress, to be held in England next June and July. (Press, Feb. 22.)

SUGAR CONSUMPTION Twelve times as much sugar is consumed by the average American of to-day as was used by his ancestors a century ago. A survey of the sugar industry recently completed by the United States Beet Sugar Association disclosed that the average per capita sugar consumption in 1927 was 107 pounds, while in 1828 it amounted to only 8.8 pounds. The association predicted that if the consumption of this commodity should continue to increase at the same rate ..... by 1935 the average consumption will be 125 pounds per capita. (A.P., Feb. 23.)

DISTRIBUTION Revolutionary changes in the field of distribution were held accountable for most of the difficulties with which business in the United States is now confronted by Alvin E. Dodd, manager of the department of domestic distribution of the Chamber of Commerce of the United States, in an address before the Ohio Petroleum Marketers' Association, at Columbus, Feb. 22. "Production has grown so rapidly," he said, "that it is flooding the old channels by which goods found their way from producer to consumer resulting in the most relentless and in many cases the most destructive competition business has ever known. While the costs of manufacturing have been reduced, the costs of distributing products threatens to offset these economies. Business is beginning to realize that it is spending too much in selling what it has made....There was a time, not so long ago, when distribution followed the direct route--manufacturer to wholesaler, wholesaler to retailer, retailer to consumer. Almost any kind of competition was more or less conventional...Competition was between dealers engaged in the same kind of business and laws were passed to prevent the formation of 'trusts.' We have outgrown all this or most of it and to-day we have the super-association for the purpose of mutual benefit through studies of economies and better merchandising practices...."

BANANA WAR IN JAMAICA A Kingston, Jamaica, dispatch Feb. 20 says: "A banana war appears imminent between Jamaica producers. A new combination of banana growers has closed a contract with Joseph di Giorgio to handle 6,000,000 stems of bananas annually. The Government has decided to introduce a law prohibiting banana growers to sell to any but the Dio Giorgio concern. Breach of the agreement would be followed by imprisonment. The measure comes up in legislative council next Tuesday. Meanwhile, Victor Cutter, president of the United Fruit Co., is at Kingston formulating plans for the protection of the operations of his company."

Section 2

Bohn on Superpower

Dr. Frank Bohn takes the affirmative stand in a debate upon the question: "Should Government Ignore Superpower?" in The Forum for March. He says: "Several proposals are before the Nation at the present time the purposes of which are to bring the Federal Government or the governments of the States into the field of industry as producers of electrical power. This writer is opposed to the entrance of either the Federal Government or the States into this or any other field of industrial production, and he bases his argument upon the belief that this is not the proper function of American Government since, by its very nature, our Government is eminently disqualified for such an undertaking. ...The folk who can tell us where to develop, when to develop, and how rapidly to develop are not the politicians but the engineers....If our thinking is to be successful and valuable, it must derive from a knowledge, first of all, of the engineering fundamentals in the field. The first fundamental of hydroelectric development is this: Except in the rare case of the regulation of stream flow by natural storage, an entire river system, and not the individual plant, is the unit of production. As an illustration of this principle we can cite no better example than that of the upper valley of the Tennessee River. In building Wilson Dam No.2, the Federal Government expended over forty-two million dollars. But the present Muscle Shoals plant is not now worth half the cost of its construction. Many water power projects developed twenty years ago, or even ten years ago, would not be rebuilt to-day if they were washed out by a flood. They can not compete with the low cost of steam production. The Muscle Shoals plant can be made a valuable property only by the erection of enormous storage dams in the upper valley....To conceive of the vast Tennessee power development as it ought to be executed, we must visualize ultimate control of the entire system by a single mind in the power control room of the existing structure at Muscle Shoals....There is just one sensible thing to do with the present power plant at Muscle Shoals. We should lease it under the terms of the Federal Water Power Act, for fifty years, to some superpower system capable of developing the river system as a whole. Under proper regulation, the consuming public in the whole region will thus receive its full benefit in reduced rates for current....All production and use of current, from all sources in a given unitary area, should be linked up, as quickly as possible, into a single superpower system. These primary structures should be progressively developed. Indeed, they are already being progressively developed into vast regional structures. Ultimately our superpower system should be made to include all the United States and Canada. This may be politically impossible, but it is not impossible to develop, ultimately, a single system for our own country...."

Commerce Department and Trade Promotion

A marked expansion of the Commerce Department trade promotion service has been made possible by new congressional appropriations, Dr. Julius Klein, chief of the Bureau of Foreign and Domestic Commerce, declared yesterday in announcing that six new regional offices would be established in the United States and eight in trade centers abroad. The money, made available for the next fiscal year, also will enable the bureau to complete three special market surveys covering 21 States. New foreign offices will be located in Budapest, Hungary; Oslo, Norway; Winnipeg, Canada; Guatemala City, Guatemala; La Paz, Bolivia; Tientsin, China; Accra, West Africa, and Algieres. The new domestic offices will

be established at Denver, Indianapolis, Birmingham, Pittsburgh, Milwaukee, and some city yet to be selected in North Carolina. The marketing surveys contemplated will cover the Gulf States, the Pacific Northwest, and central Atlantic territory. Purchasing power, wholesale territories, and distributing mechanism within each group will be set down in the studies. All new offices and undertakings will get into operation July 1. (Press, Feb. 21.)

Commercial Air Lines in France

Commercial air lines in France, as in most countries, get financial help from the Government. According to figures of the aviation budget, transmitted to the Bankers Trust Company of New York by its French information service, there are at present four companies receiving help from the State. In 1928 these companies will get roughly one billion francs. During the six first months of 1927 the number of kilometers covered by them was 2,732,361; passenger carried 7,799; kilos of goods carried 543,183 and kilos of mail transported 208,266. The number of flights actually made compared to the number of flights scheduled in the time table was 94.1%. The record was held by the Marseilles - Perpignan line and was 98.7%. The distance record was made on the Toulouse-Casablanca line by 680,740 kilometers. That for passengers was registered on the Paris-Constantinople line: 1,514. The Toulouse-Casablanca line transported 162,531 kilos of mail and the Paris-London line 151,961 kilos of goods. On that line 1,481 passengers travelled, 650 kilos of mail were transported, 233,128 kilometers were covered and 85% of the flights were accomplished.

Farmers' Taxes

Dr. B.H.Hibbard, of the University of Wisconsin, is the author of an article entitled "Shall Property or Income be the Basis of Taxation?" in Successful Farming for February. The author says in part: "With respect to the general property tax, the farmer stands in a unique position. He pays on real estate to the full and just as completely on his personal property. The farmers' personal property is visible, and the assessor knows its value. Nor is this all. Farm real estate is valued at a higher rate in proportion to its earning power than is urban real estate. Perhaps no one more than the farmer is to blame for this, and in a purely rural community it makes no trouble, but in a community partly rural and partly urban--as most counties are--it makes a big difference. The farmer under these circumstances pays altogether too much. Farm land has been on the up grade in value for a long time. At least for a long time preceding 1920. This means that there has been a speculative element in the market of farms. On these values the farmer has paid a tax, and while values continued to rise he was able to pay the taxes assessed. With the decline of prices subsequent to 1920 the tax-paying difficulties of the farmer came out into the open and, although they are as visible as a mountain, nothing has been done to set matters right. They are like the mountain in other respects than visibility. The farmer neighborhoods are saddled with responsibility in the matter of schools and roads, not to mention minor undertakings."

Pan-American Relations

An editorial in The New York Times for Feb. 21 says: "The meeting of the Pan-American States has adjourned in an atmosphere of general though not universal good-will. It is no paradox to say that the lack of complete unanimity is one of its achievements. It testifies

to the frankness with which the intervention issue was debated....The factual results at Havana are three: reorganization of the Pan American Union, a beginning in codification of international law and the first step toward the establishment of compulsory arbitration, which is to be further considered in conference at Washington next year. In this last enterprise lies the opportunity for a sober and fruitful approach to the intervention problem such as the Argentina-Salvador formula at Havana did not supply...."

Prosperity Factors G.C. Selden, writing in The Magazine of Wall Street for Feb. 11, says: "It has always, until very recently, been considered a sort of axiom of industry that the employer would--philanthropy apart--endeavor to hire at the lowest wages which would command and retain the services of the kind of men he required. Low wages, it has been assumed, would, other things being equal, result in higher profits to him because of reduced expenses. Since the war, however, a new theory has been more and more often advanced, which may be briefly stated as follows: If wages are reduced, the purchasing power of wage-earners is reduced with them. Therefore, considering the industry of the country as a whole, lower wages mean smaller sales, higher wages mean larger sales. In order to find a market for their products, industrial managers must maintain a wagescale which will permit wage-earners in general to buy those products....There remains to be considered the question whether this kind of prosperity can be permanent. During the last half of 1927 some falling off in the activity of trade was noticeable. It is true that this was not serious. The statistical department of the New York Federal Reserve Bank figures that the whole volume of production and trade in 1927 increased 2½% over 1926, as against an average gain during the preceding seven years of about 4% a year. Total car loadings of the railroads in 1927 were 3% less than in 1926, 1% more than in 1925, 6½% more than in 1924. In several lines of business overproduction, or underconsumption, as you choose, has been evident. Again, during this three-year period there has been some increase in the proportion of goods sold on the installment plan, and a rather notable increase in the purchase of homes on that plan. It may reasonably be argued that this constitutes an anticipation of normal demand, a sort of hot-house forcing of consumption, and that installment buying can not indefinitely continue to increase at the same rate as in recent years....Remembering the panics and depressions of the past, he asks, Can this go on? Or are we riding for a fall? In general, the answer is that it can go on, not without some moderate reactions and irregularity from time to time, but without serious depressions....There is just one thing which could seriously check American prosperity: An interruption or slowing down in that exchange of dollar-values of goods which has now become so smooth and rapid. For prosperity, the dollars must keep moving. Each one of us is making things for others and the others are making things for us. So long as we keep on making these things, transporting them to each other, and swapping them steadily, promptly and without stopping to argue, we all get what we all make--we are prosperous...."

Wholesaling Problems The groundwork for a comprehensive study of the problems of wholesaling was laid at the two days' session of the National Wholesale Conference held at Washington February 14 and 15 under the auspices of

the Chamber of Commerce of the United States. The task of making the survey was assigned to four committees which will report to a second session of the conference to be held later in the year.

Section 3
MARKET QUOTATIONS

Farm Products Feb. 21. Livestock quotations at Chicago: Slaughter steers, $13.25-$16.50; cows, good and choice, $8.50-$11.50; heifers, $11.75-$13.50; vealers, $13-$16.50; feeder and stocker steers, $10.75-$12.25; heavy weight hogs, $7.75-$8.25; slaughter pigs, $6.75-$7.50.

Maine sacked Green Mountain potatoes $2.45-$2.65 per 100 pounds in eastern cities; mostly $2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.70-$1.90 carlot sales in Chicago. New York Baldwin apples $7-$8 per barrel in the East; 2 cars $7.25 f.o.b. Rochester. Eastern Yorks $6.75-$8. New York Rhode Island Greenings $10 in New York City. Michigan Jonathans $9-$11 in Chicago. New York and Midwestern yellow onions closed at $2.30-$3 sacked per 100 pounds in consuming centers; $2.40 f.o.b. Rochester. Florida Pointed type cabbage $1.25-$1.75 per 1½ bushel hamper in terminal markets. New York Danish type 50¢-85¢ sacked per 100 pounds in a few cities.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.59¼-$1.65¼. No.2 hard winter at Chicago $1.37; Kansas City $1.30-$1.32. No.3 mixed corn, Chicago 95½¢; Minneapolis 88½¢-90½¢; Kansas City 86½¢-89½¢. No.3 yellow corn 97-99¢; Minneapolis 92½¢-94½¢; Kansas City 88½¢-91¢. No.3 white oats, Chicago 55¼¢-57½¢; Minneapolis 53 1/8¢-55 1/8¢; Kansas City 54¢-56¢.

Closing price of 92 score butter at New York was 45¢.

Closing prices of No.1 fresh American cheese at New York were; Flats 23½¢-24¢. Held Cheese Prices. Flats 29-29½¢; Single Daisies 29¢; Young Americas 29½¢.

Average price of Middling spot cotton in 10 designated markets declined 8 points, closing at 17.78¢ per lb. March future contracts on the New York Cotton Exchange declined 7 points, closing at 18.02¢. (Holiday in New Orleans.) (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 45 Section 1 February 24, 1928.

JONES FLOOD BILL Chairman Jones, of the Senate commerce committee, has prepared a new flood control bill. His proposal, as laid before President Coolidge yesterday, incorporates the main features of the Jadwin plan, but compromises on the highly controversial point of payment of part of the cost by Mississippi Valley States. (Press, Feb. 24.)

GRAIN RATES A Chicago dispatch to-day reports that the Interstate Commerce Commission began an investigation yesterday of the export grain transportation rates to determine if farm relief can be afforded by a readjustment of those tariffs. The export hearing follows the completion of an investigation of domestic traffic rates, both being authorized by Congress. While Pacific as well as Atlantic and Gulf interests may present their cases at Chicago, the commission later will hold a hearing at Seattle for the western carriers, ports and shippers. Three cities, Chicago, Buffalo and Boston, advised the commission that they will urge a reduction of export rates below those on domestic grain movement.

COTTON CUT PARLEY A Jackson, Miss., dispatch to the press of Feb. 23 says: "Methods other than legislative will be used to curtail cotton acreage this year, it was decided by the Governor's conference of delegates from fourteen States at Jackson, which was called to consider means of controlling the production of cotton. Favoring a reduction of at least 10 per cent for 1928 as compared with 1927, the ways and means committee of fifteen members, whose membership was picked by allowing one delegate to every million bales raised in each State, recommended briefly the following: Congress be importuned to prohibit cotton price forecasts; extermination of the pink boll worm; creation of a tariff in foreign cotton, foreign oils and jute; the resolution committee to be made permanent and the chairman authorized to appoint seven additional members to formulate plans for progress in the control of cotton acreage. It was recommended that the Governor of each State in the Cotton Belt appeal to the people to heed the plea for an acreage reduction this year and county judges, county agents, the press, bankers and other agencies were suggested as the mediums of this appeal. Most interesting was the recommendation that inasmuch as 25 per cent of the cotton of the South is harvested by children between the ages of eight and fifteen, that longer school terms and compulsory attendance be urgently recommended in the cotton growing States...."

RADIO LEGISLATION The press to-day reports that after attaching three amendments, the House merchant marine committee yesterday approved the Watson bill extending the life of the Federal Radio Commission which recently passed the Senate. The bill would extend the commission's existence until March, 1929. The committee also inserted an amendment to have an equal allocation of broadcasting and power privileges based on population and area.

Section 2

Credit Relations Commerce and Finance for Feb. 22, by way of introduction to an article on "The Evolution of The Commercial Agency," by C.W. Steffler, says: "Credit, almost as old an institution as capital, has been recognized since the dawn of civilization as a vital factor in the conduct of business. Yet, remarkably enough, it was not in the countries of the Old World with their highly developed civilization, but in the New that the first organizations for the protection of credit were conceived and established. Some writers, endeavoring to emphasize the use of commercial credit, have divided the economic development of modern nations into: (1) the barter stage; (2) the money stage, and (3) the credit stage. Very recent years have witnessed an amazing expansion of credit relations; their uses are being constantly extended, and there is no sign of a let-up. To-day more than half of the retail business and more than ninety per cent of the wholesale business of the United States is carried on through the medium of credit instruments. In the romantic story of the rise of credit, the general mercantile agency has played an important and indispensable part. Inseparably associated with the evolution are two names, Bradstreet's and Dun's, which have become household words throughout the civilized world as a result of their long and honorable records in this field of service."

Electricity in Rural Sections An editorial in New England Homestead for Feb. 18 says: "Owen D. Young, of German reparations fame, and chairman of the board of directors of the General Electric Company, visions a time when all State highways will be illuminated by electricity, and when that power will be more generally used on farms....Before all this can be done, however, there is much to accomplish. Power companies must survey the situation, and manufacturers of farm equipment and electrical equipment must coordinate to reduce costs. Mr. Young said that 'the practical solution of most of the problems involved in rendering rural electric service is to determine whether or not it is possible for the farmer to use, with profit to himself, sufficient amounts of electrical energy so that the return to the company furnishing such service will be sufficient to at least meet the actual fixed charges and operating costs involved in rendering the service.'...Electricity is, without question, one of the greatest aids to human progress and comfort known at the present time. Owen D. Young's vision may not be practical right now, but his prophecy is square in line with the trend of the times."

Farm Land and Population Jacob Perlman writes on "The Recent Recession of Farm Population and Farm Land," in The Journal of Land & Public Utility Economics for February. He says in part: "The general depression following the period of prosperity, which reached its peak in the spring of 1920, did not strike all industries with equal severity. Agriculture suffered vastly more than most of the other industries. But this does not tell the whole story. Many of the nonagricultural industries had recovered from the depression by 1922 and since then, with some minor exceptions, have been unusually prosperous. Agriculture, however, has continued at low ebb and is still far from enjoying a sound economic condition.... Discussion of remedies for the agricultural depression frequently has overlooked or but sdantily referred to the surpluses of farm land and farm population. Yet these basic factors can not be ignored in any proposal asserted as a practical one. The surplus of agricultural land may prove to be temporary, if we consider a long enough stretch of time,

or it may prove to be rather easily controlled. But the natural surplus of farm population does not lend itself so easily to measures of social control. Although this surplus seems to be decreasing, the task of distributing the excess of manpower is bound to be a continuing one. Moreover, the intelligent guidance of a labor surplus is doubly hard, not only because human beings, with their hopes, prejudices, habits and customs, are involved, but also because the direction of surplus farm labor can not be dissociated from the similar problems of non-agricultural industries. In short, the twofold task of reducing or re-directing the farm land and labor surpluses requires not temporary expedients but carefully considered plans looking far into the future. In formulating such statesmanlike policies, the quantitative measurement of these factors....is a definite basis for planning."

Food Distribution Institute "The Age of Institutes is going ahead. Gordon C. Corbaley of Seattle, Wash., preliminary chairman of the organization committee engaged in the formation of an Institute on Food Distribution, prefaces his report of progress with a statement of the reasons why such an institute is necessary, asserting that conditions are not right in the business of producing and distributing foods, the most important group of businesses in the United States; that our markets are unsettled and our distribution is passing through a period of adjustment that is affecting the status of everyone. The greatest present need, he says, is seen to be the conservatism that must come from better knowledge, and the forming of the Institute is a move to bring together producers of food, manufacturers of food products, wholesalers and retailers of food, chain store operators, and brokers engaged in the distributing of foodstuffs on a thoughtful working program to assemble and distribute facts about current food products, digest the important happenings in the changing machinery of food distribution that the trade may have a better knowledge of what is taking place, and learn the truth regarding the fundamental economics of the new food distribution." (Commerce and Finance, Feb. 22.)

Fur Farming in Canada Ontario Farmer for Feb. 15 says: "The number of fur farms is increasing by leaps and bounds. The latest figures issued by the Dominions Bureau of Statistics give the number of farms in 1926 as 2,702 which means an increase over the previous year of over four hundred. These figures do not quite picture the expansion, since one of the present-day features of the industry is the trend towards co-operative ranching enterprises in which several owners of foxes have their animals housed and cared for under a central management. The figures giving the number of fur-bearing animals on fur farms at the close of 1926 and 1925 gives a better indication of progress. In 1925 there were 50,889 fur-bearing animals, while in 1926 the number had increased by over 5,000--and this in spite of an increase in the number of pelts sold of more than five thousand."

Hapgood on Superpower Norman Hapgood takes the negative side in a debate on the question, "Should Government Ignore Superpower?" in The Forum for March. He says in part: "The power question, including the related questions of water power and power generated from coal, affects every housewife in every city and town and village in the United States. Moreover, it affects the housewife who is not even in a village but in an isolated farmhouse, and it affects the farmer in his work in the fields. Either

electric power is to be handled as it is handled in the Province of Ontario--where it is a direct part of the question of the cost of living and of the problem of agricultural life--or it is to follow in the tradition along which have been built up the vast monopolies.... A good many of us are old enough to remember the time when the Government took over the parcel post business. What a cry went up, not only from the express companies, but from all the other representatives of big business. Has the Nation suffered irretrievably from the fact that we no longer have to rely on express companies to deliver our Christmas presents? Probably not even the lobby at Washington would ask us to go back to the days when letters were delivered by private enterprise....Evidence is coming to us all the time that the cheap rates in Ontario have meant the spread of electric power into the houses of the farmer whose hard-driven wife uses it to cook, wash, iron, and clean as she never has before. This means the elimination of chopping wood, carrying coal, ashes, and water, sweeping, blacking the stove, standing over it in the heat....Mrs. Cullom is the wife of a laboring man in Toronto. She lives in a house of eight rooms and uses more than five times as much electricity as is used in a similar home in this country. Mrs. Cullom sweeps her floors by electricity. All the year round she cooks her meals on an electric stove, she washes and irons by electricity....By electricity she heats the water both for the kitchen and the bathtub. Her bill for a month was $3.55. In the city of Washington, it would have been $23.18; in Birmingham, Alabama, $32; in Nashville, Tennessee, $40; and in some towns in Florida, $60....Mrs. Cullom lived in a city. Ontario, like other parts of the universe, has on its hands the problem of rural life. The legislature chose to assist the farmer to the extent of paying out of the treasury one-half of the cost of transmission lines to carry electricity to the farm organizations. That is another story but it is an interesting matter about which those willing to worry about the farmer may do a little thinking. Senator Norris has a photograph of the farmhouse of Mr. B.L.Siple, whose Ontario farm consists of seventy-nine acres. When the Senator visited him, he was milking seventeen cows by electricity. He filled his silo by electricity, ground his feed, and pumped his water. Every cow in her stall had a bucket of water within her reach, and when she drank the water in the bucket it was filled automatically again....Water war running in the kitchen and in the bathroom, and Mrs. Siple was cooking on an electric stove while she was cooled by an electric fan in the summer time. She washed her dishes in water heated by electricity, and--like her sister in the city--was practically free from heavy drudgery. Electricity had practically saved Mr. Siple one hired man, and his wife a hired girl. The entire cost on the farm, barn and house for a year was $115.49, which included the amortization fee...."

Russia and Wheat

An editorial in The Wall Street Journal for Feb. 20 says: "A sudden jump in the wheat market brought Russia into the picture. The unusual activity which brought an increase of $2\frac{1}{4}$ to 2 7/8 cents in a single day at Chicago was, in some quarters, attributed to buying for Russian account. In other quarters this was vigorously denied. But whether Russia is or is not buying in the United States or Canada, the fact that a rumor of the purchase of 8,000,000 bushels should cause a rapid upturn of prices shows that consumers are none too

confident of a surplus supply. Russia is in the picture and must be given consideration. The Russian wheat exports this season are almost negligible. Between August 1, 1927, and February 4, they amount to 4,360,000 bushels against 26,000,000 a year ago....Statistics from Russia are so unreliable that little or no dependence can be placed upon them. Under the present plan of government it would be possible for a shortage of grain in consuming centers in years of good crops. Under that same plan also abundant crops are not to be expected. No man on the land will exert himself to produce surplus grain if he knows the government will take it from him and give in exchange merchandise of low value and high price. If a man has the surplus, he will circumvent the procurer if possible. If the Russian grain procurings are rendered more difficult, it is possible that the Soviet government is purchasing grain to meet the needs of the consuming centers, or if not now may yet have to do so. If Russia has to buy wheat she naturally will not shout the fact from the housetops. On the other hand if there is a surplus of grain and the official procurers can get it the Soviet government will export it and the world supply will be increased to that extent. The international wheat market does not show any great surplus....An additional supply of a few million bushels or another consumer thus becomes an important matter. Therefore, whether Russia will take from or add to the world supply of wheat is a matter of which the market must take note."

Section 3

MARKET QUOTATIONS

Farm Products Feb. 23. Livestock quotations at Chicago were: Slaughter steers, $13.50-$16.25; cows, good and choice, $8.35-$11.25; heifers, $11.50-$13.50; vealers, $13.50-$16.50; feeder and stocker steers, $10.75-$12.25; heavy weight hogs, $7.50-$7.90; slaughter pigs, $6.25-$7.25; slaughter lambs, $15-$16.40; feeding lambs, $13.85-$15.40.

Maine sacked Green Mountain potatoes $2.40-$2.65 per 100 pounds in eastern cities; $2.05-$2.15 f.o.b. Presque Isle. Wisconsin sacked Round Whites brought $2-$2.10 carlot sales in Chicago; $1.75-$1.80 f.o.b. Waupaca. New York Baldwin apples $6.75-$7.75 per barrel in New York City. Virginia Yorks $7.50-$8. Michigan Baldwins $8-$8.50 in Chicago. Texas round type cabbage $2.25-$3.25 per barrel crate in terminal markets; $1-$1.10 f.o.b. Lower Rio Grande Valley points. Florida pointed type $1.25-$1.75 per 1½-bushel hamper in the East. New York and midwestern sacked yellow onions $2.25-$2.90 per 100 pounds in consuming centers; $2.35-$2.50 f.o.b.

The average price of Middling spot cotton in 10 designated markets advanced 4 points to 17.82¢ per lb. March future contracts on the New York Cotton Exchange declined 1 point to 18.01¢ and on the New Orleans Cotton Exchange they declined 13 points to 17.83¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.60¾-$1.65¾. No.2 hard winter, Chicago $1.36-$1.37½¢; Kansas City $1.29-$1.31½. No.3 yellow corn, Chicago 97-98¢; Minneapolis 91-93¢; Kansas City 87-89¢. No.3 mixed corn, Chicago 95-96¢; Minneapolis 87-89¢; Kansas City 85½¢-88¢. No.3 white oats, Chicago 55-57½¢; Minneapolis 52 7/8¢-54 7/8¢; Kansas City 53½¢-55½¢.

Closing price of 92 score butter at New York was 46¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 46 Section 1 February 25, 1928.

THE PRESIDENT AND MR. HOOVER ON FLOOD CONTROL

The press to-day reports: "President Coolidge made it known yesterday that he would not actively oppose a plan to have the Federal Government bear, at least, the entire first costs of flood control for the lower Mississippi Valley, with a commission to determine later if the Government should continue to foot the whole bill.

"Before the President revealed his revised views on the flood question, Secretary Hoover, testifying before the Senate interstate commerce committee, said that he favored in principle the sharing of cost by the Federal and State Governments, but he was noncommittal as to fixing the share of the States at 20 per cent. As to just how they should pay, he was not prepared to give an opinion, he insisted, but he advanced the President's proposal that the question of proportionate cost be left to a financial commission which would study the economic conditions of the States...."

FLOOD CONTROL BILL

The press to-day reports: "The overdraft of a new flood control bill, prepared by Major Gen. Jadwin, chief of the Corps of Engineers, and intended as a compromise of differences that have developed between leaders in Congress and the administration, was made public yesterday. The bill was transmitted to Representative Koff, a member of the flood control committee, who said it constitutes the relief legislation approved by the administration. The new bill retains the principle that the Federal Government shall not necessarily bear the entire expenses of the control work. The proposed legislation would authorize an appropriation of $260,000,000 as opposed to the $290,000,000 in the original engineers' recommendation and $473,000,000 in the Reid bill. Authority to carry out the flood control program under the compromise bill would be vested in the Secretary of War, the Corps of Engineers and the Mississippi River Commission...."

MEXICAN IMMIGRATION

Appearing before the House immigration committee, yesterday, several farm and ranch men opposed the Box bill to restrict Mexican immigration. They contended that Mexican labor was needed by the agricultural industry in the Southwest. (Press, Feb. 25.)

ROAD CONGRESS

The Senate yesterday adopted a resolution authorizing the President to invite the Permanent International Association of Road Congresses to hold its sixth session in this country in 1929 or 1930. (Press, Feb. 25.)

MUSCLE SHOALS LEGISLATION

Senator Norris yesterday attacked the Madden-Willis bill for the leasing of Muscle Shoals to the American-Cyanamid Co., declaring that sinister influences were at work on behalf of that measure as opposed to his own resolution providing for Government operation of the project. (Press, Feb. 25.)

Section 2

Acreage Reduction

An editorial in The Journal of Commerce for Feb. 23 says: "In the Western States the problem of farm relief has almost always led to a discussion of acreage. It has been a troublesome question because few farmers have been willing to allow themselves to be controlled in their planting policy, and few lawyers have been willing to contemplate a state of things in which the Government undertakes to limit acreage. It may be added that few students of social conditions have been very ready to think of a situation in which men should be kept from cultivating the soil and industriously bringing new wealth into existence. As a result a good many farm philosophers have evolved the theory that it does not make primary difference how many acres are under cultivation, since climate and varying soil conditions affect output much more than area. In the South there has never been any such tendency to ignore the basic elements in the situation. The average cotton man in the South has known well enough that cotton acreage was a fundamental element in the problem--as witness the time, money and controversy expended in getting, at the earliest possible date, authentic information of such abandoned acreage. So from time to time has come up in the South the question whether it was not possible to devise a plan for the actual restriction of acreage. The latest stage in this effort has now been reached at Jackson, Miss., where a committee has been deliberating on methods of curtailing cotton acreage in order to reduce the output of cotton and so to raise the price. There the adoption of some extra-legal method of preventing individuals from planting more than a specified amount of cotton is evidently contemplated and may quite likely be attempted. Is there any possible effect on the price of cotton which can even remotely atone for the violence to individual rights and constitutional guarantees that is proposed when we seek to restrict industry as a means of carrying into effect the price tinkering schemes of advocates?"

Cotton Conference

An editorial in The Wall St. Journal for Feb. 24 says: "Conference of southern governors assembled at Jackson to discuss means of controlling production of cotton have adopted recommendations ranging all the way from excellent to bad. One at least can be set down as futile and another as utterly bad. These are proposals for a tariff on cotton, and for compulsory acreage if necessary after 1928. An import duty on an export commodity is an example of absolute futility. The United States is not a cotton importing country. The imports run from 300,000 to 400,000 bales a year. Of the 401,000 bales imported in the past season 252,000 bales were of varieties that do not compete with the American product. Increasing the price of raw materials for the mills using those cottons would be merely to add to the cost of the goods without the slightest benefit to anyone. There were 52,000 bales from China and India, coarse, short staple cotton. It is doubtful if this can be classed as a real competitor to American cotton. If it were, why has not more been imported when prices have been high and this stuff is admitted free? The only cotton that can be said to really compete with ours is that from Mexico. In the past season 93,000 bales came in. That seems like a drop in the bucket, and conditions in Mexico are such that there will be no surplus crops there. Thus, it should be seen that an import duty on cotton would be a futility. The other recommendation of compulsory reduction of acreage

if necessary, brings in a serious legal question. Whence comes the authority for any State to say that a farmer should plant only a specified number of acres of any crop?...If cotton were a noxious plant endangering the safety or health of the people, or its cultivation injured good morals, the courts would sustain a law prohibiting its cultivation. But to license its cultivation as the liquor business was formerly licensed is inconceivable. As the power to tax is the power to destroy it is possible that through that agency acreage might be limited. But even if it were possible in any way to limit the right to plant as much as a man sees fit it would be too dear a price to pay for the resulting gain of dearer cotton. A far better way of securing more profitable results is to be found in educating the farmers to a balanced system of agriculture plus a cheapening of the cost of production...."

Dean on Agricultural Progress

Both in prospect and retrospect, agriculture at the turn of the year shows decided improvement, according to William Harper Dean. "There is apparent a progressive movement," he says, "even though at times this lags. As compared with the five-year pre-war average of 100, the purchasing power of agricultural products generally stands at 92 in terms of nonagricultural commodities. It is generally recognized that the decline in land values some time ago reached the low point and further recession is improbable." Mr. Dean observes that our agriculture as a whole is moving steadily in the direction of greater industrialization through the use of improved types of farm machinery and that important developments are transpiring in the field of utilization of agricultural by-products. Gradually there is also developing a better adjustment between supply and demand, according to this authority. Inefficiency in agricultural production never exacted so heavy a penalty as it does to-day, Mr. Dean declares, but he asserts that American agriculture is on the threshold of a new industrial revolution to the consummation of which are being contributed the best efforts of our farmers, chemists, manufacturers, distributors and economists. All of which is just another way of saying that farming is tending toward factory-ization. American industry owes its present dominance to its extensive use of improved machinery, to the adjustment between supply and demand, to the scientific utilization of by-products and to greater efficiency in every operation--in short, to the very factors which Mr. Dean avers are bringing about this improvement in American agriculture. (Nebraska Farmer, Feb. 18.)

French Tariffs

A Paris dispatch to the press of Feb. 24 says: "Two tariff concessions, involving an annual saving of many thousands of dollars, have just been made by France on all classes of agricultural machinery imported by this country from the United States. At the same time the French further developed her own export trade system by signing two new commercial accords Feb. 23 with Belgium and Germany and ratifying existing accords signed during the last few months with Germany, Switzerland and Italy. The concessions to the United States are in the form of amendments to the new tariff measure now before Parliament. The first relates to American tractors of which there are more than 20,000 users in France alone. The second applies to all other kinds of farm implements which are brought in to an aggregate of more than 50,000,000 francs yearly. Nearly $500,000 worth of American tractors have been held up in French ports since last fall, pending settlement

of a definite tariff. The French suddenly applied a 45 per cent ad valorem duty on tractors, which amounts to about 5,000 francs per machine, thereby making their sale in France practically impossible. The new Poincare tariff bill registered a small reduction, and now this duty has been further reduced to 270 francs per 100 kilos or about 3,300 francs per tractor. Under this arrangement sales may be resumed at once on a favorable competitive basis with French or German machines. As regards other farm machinery, the concession is considered by American officials as an important one. It provides that all farm implements 'entering France by sea' will pay on net weight instead of gross, as at present. The old system left American products at a disadvantage with German and Belgian machines."

Horse Meat Packed

A Casper, Wyo., dispatch Feb. 24 says: "A new use has been found for the outlaw horses that roam Wyoming ranges. A packing company has opened a plant in Casper where wild horses meet the same fate as cattle. Horse meat is shipped abroad by the concern, and various by-products, such as hides for sole leather and bones for fertilizer, are sold in the domestic market. Indians of the Shoshone reservation recently rounded up 700 outlaws for the plant. The horses brought from $1 to $6 each."

Rubber Control

The press of Feb. 23 says: "The American rubber industry, as well as the British and Dutch producers, will face a most serious situation if the British eliminate restrictions on shipments of rubber, in the view of Clifford C. Johnston, New York representative of Nomura & Co. of Singapore. Statistics show that, with restrictions in force, a decline in visible stocks would be noted of about 15,000 tons at the year's end, while with restriction out, stocks would increase about 80,000 tons, Mr. Johnston says. In other words, the visible total would reach 280,000 tons, comparing with 208,977 tons in 1922, when restriction went into effect. 'The weight of these supplies sent rubber to 12½ cents,' Mr. Johnston says. 'A price drop to anything like the level of 1922 means disaster not only to the producer but to the American consumer.' "

Wisconsin Agricultural Council

The Wisconsin Farmer for Feb. 16 says: "The Wisconsin Agricultural Council has probably become a reality. To all who have the interests of organized agriculture at heart, and who desire to see farmers tackle common problems in taxation, economics and policy on a united basis, this announcement is fraught with happy possibilities... Highways, taxation, education, and credit--these and kindred policy problems of farmers as citizens--should be discussed in the forum of the council. It may have some real influence upon public policies toward agriculture in Wisconsin."

Section 3

Department of Agriculture

The Ohio Farmer for Feb. 18 contains an editorial entitled "Corn Borer Breaks Into Movies:" This says: "One of the best means of 'telling' the life history of the corn borer and the correct methods of combating it is through moving pictures. More than 85 prints of the United States Department of Agriculture corn borer film are in circulation, which shows the demand for knowledge on the part of the farmer. This past week we had a private showing of a two reel film....While it deals primarily with the corn borer and its control, the main theme of it is good agricultural practices as they relate to corn growing..... Never before have all the agencies interested concentrated on telling

the story of an insect as is being done with the corn borer. Every contribution helps but to make the chain complete every local farm group of community in Ohio should devote an evening to a corn borer moving picture show. As a moving picture star the borer is not as attractive perhaps as Mary Pickford or Gloria Swanson, but he has a way all his own and he will interest you."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 24. Livestock quotations on slaughter cattle at Chicago $13.50-$16.25; cows, $8.25-$11.25; heifers, $11.50-$13.50; vealers, $13.75-$16.75; feeder and stocker steers, $10.75-$12.25; heavy weight hogs, $7.60-$8.10; light lights, $6.75-$8.25; slaughter pigs, $6.25-$7.25; slaughter lambs, $15.50-$16.65; feeding lambs, $13.85-$15.40.

New York and midwestern sacked yellow onions $2.40-$3 per 100 pounds in consuming centers; $2.45-$2.75 f.o.b. Florida pointed type cabbage $1.25-$1.75 per 1½-bushel hamper in eastern cities. Texas round type brought $2.25-$2.75 per barrel crate in terminal markets; $1.10 f.o.b. Lower Rio Grande Valley points. Maine sacked Green Mountain potatoes $2.40-$2.65 per 100 pounds in eastern cities; $2.15-$2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.05-$2.20 carlot sales in Chicago; mostly $1.85 f.o.b. Waupaca. Eastern York Imperial apples $6.25-$8.25 per barrel in eastern markets. New York Baldwins $7.50-$8 in New York City. Michigan Baldwins $8-$8.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets advanced 46 points to 18.30¢ per lb. March future contracts on the New York Cotton Exchange advanced 46 points to 18.47¢, and on the New Orleans Cotton Exchange they advanced 48 points to 18.31¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.61½-$1.66½. No.2 red winter at Chicago $1.54. No.2 hard winter, Chicago $1.36; Kansas City $1.29-$1.31. No.3 yellow corn, Chicago 95½¢-97¼¢; Minneapolis 91¢-93¢; Kansas City 87¢-90¢. No.3 mixed corn, Chicago 94¢; Minneapolis 87¢-89¢; Kansas City 86¢-88¢; No.3 white oats, Chicago, 55¢-57¢; Minneapolis 53 1/8¢-55 1/8¢; Kansas City 56¢-58¢.

Closing price of 92 score butter at New York was 47¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 47 Section 1 February 27, 1928.

FARM RELIEF LEGISLATION

The Associated Press Feb. 26 reports on farm relief legislation as follows: "Having completed its lengthy hearings on the difficult question of farm relief legislation yesterday, the House agriculture committee plans to begin executive sessions on March 5 to draft a bill. The executive sessions are expected to last only a few days and members of the committee predicted that a bill would be reported to the House by March 12. While more than half a dozen farm aid plans have been outlined in the hearings, the committee's discussion has revolved chiefly around the $400,000,000 equalization fee bill sponsored by Chairman Haugen..... The Senate agriculture committee already has reported the McNary bill, which contains the equalization fee, but Senate leaders have not indicated when the measure will come up for action....."

LEGISLATION STATUS

The Associated Press to-day gives the following resume of the status of various measures in Congress: "Although at the half way mark of its first session, the seventieth Congress has yet to dispose of a single one of the eight major problems which faced it when it met on December 6..... Flood relief, probably the most important of all of the pending questions, still is in the formative stage, but leaders in both houses are determined to put through a bill so as to make improbable a repetition of the 1927 disaster in the Mississippi Valley States..... Farm relief, which has agitated Congress for a number of years likewise is to be pressed at this session, with the fight again centering around the equalization fee of the original McNary- Haugen bill. The Senate committee has reported such a bill and a similar effort will be made in the House committee beginning March 5. Tax revision still is buried in the Senate finance committee, which is deferring action on the House measure until after the first tax returns for this year are received by the Treasury on March 15. There is a growing belief at the Capitol that there will be no tax revision at this session as the administration and Congress are far apart on the form it should take..... An agreement between the interested States on Boulder Canyon Dam legislation seems to be almost as far away as ever and even some of the proponents of this great power, reclamation and irrigation project on the Colorado River doubt that a bill can be put through at this session. The Senate irrigation committee is to meet Wednesday in an effort to report out a bill, but Arizona still stands steadfast against the kind of legislation California and some of the other States desire. The House committee also has yet to whip a bill into shape for consideration by the House..... The Senate now is in the throes of Muscle Shoals legislation, having before it the Norris resolution for continued Government operation. Several sections of the resolution are vigorously opposed. The House committee has yet to write a bill. While the Senate is considering the Norris resolution, the House will take up the eighth of the annual appropriation bills to be passed at this session, that for the Agriculture Department. Consideration of this measure is likely to consume a full week....."

Section 2

British Parliamentary Agricul-tural Secretary

The appointment of the Earl of Stradbroke to be Parliamentary Secretary to the Ministry of Agriculture and Fisheries in succession to Lord Bledisloe is officially announced from London.

Corn Borer

An editorial in The Wisconsin Farmer for Feb. 16 says: "Michigan bulletins carry information that farmers in at least two counties where the corn borer has been fought under the rigid crop control methods prevailing are substituting other crops for corn.....Some farmers are hesitate about too rapid adjustments to replace corn entirely. When the borer gets so bad that yields of corn are reduced to an extent to make cultivation of that cereal unprofitable, or when the extra labor involved in taking extreme cultural precautions is so great as to reduce returns, it is then time to think of substitute crops.....Wisconsin farmers can not afford to become stampeded by the approach of the borer, but they should not grow lax and careless.....We do not know that there are any evils in our own Wisconsin system of farming that will be corrected by the borer, like the evils of single cropping in the South were changed by the boll weevil. Possibly there are some. One recommendation we can make at this writing, and that is, if you or your friends go touring eastward this next summer beware of bringing home any plant materials, seed corn or other stuff that may harbor eggs of the corn borer or the worm itself. Pass this word around. We don't want to begin living with the corn borer until we have to."

Farm Accounting in Wisconsin

An editorial in The Wisconsin Farmer for Feb. 16 says: "Wisconsin farmers are not only making better use of their money, but they are keeping track of the way it goes and learning to keep account of the sources of income as well. This is shown by the fact that besides several thousand farmers using miscellaneous bookkeeping systems there were in 1926 fully 11,700 farm record books distributed, according to a standard form prepared by the Wisconsin College of Agriculture....."

Farmers' Sons in Britain

(London)

An editorial in Country Life for Feb. 11 says: "Our agricultural correspondent has several times recently raised a point of considerable interest in commenting on the increasing proportion of farmers who have resolved to find some means of livelihood for their sons other than farming. The younger generation, he says, are going off the land in numbers significant of lost confidence in their fathers' pursuits, and harm to the industry must inevitably result from the departure of so many of those young men who, had such a choice of career been justified, would have remained to carry on the centuries-old association of their families with the soil. We do not doubt the general truth of these observations. A drift from the land is taking place; not only are the sons of farmers seeking other occupations, but also the sons of agricultural workers and the sons of landowners. And who can blame them? .....Yet, deplorable as such changes are, they are the inevitable accompaniment of depression. Moreover, we know but little of their real extent or of their ultimate effect on the industry. The last serious study of the point was made by Ashby in 1926, who traced the social origin of 771 Welsh farmers. Of these, 675 were found to be the sons of farmers or farm-workers, and 96 the sons of nonagricultural parents.....Incidentally, the same study disclosed a most interesting comparison between the sons of farmers and the sons of farm-workers. Except on large farms, the latter class of men attained to a greater

average efficiency, indicating, perhaps, that, whereas very many sons of farmers themselves become farmers, only a few--and a highly selected few--sons of laborers attain that position. Moreover, it was found that the smaller the holding the more the farmers' sons lagged behind both laborers' sons and ex-laborers themselves. This leads us to the somewhat melancholy realization that 'the agricultural ladder,' which we are accustomed to talk and think about as a means of ascent, is, in reality, available for traffic both ways...."

Florida's Citrus Industry

An editorial in Florida Times-Union for Feb. 22 says: ". . . . And now comes Mark Hyde, an experienced man in his field, with a practical discussion of 'The Citrus Issue' in a series of articles written for the Times-Union.....Mr. Hyde gets at once to fundamentals in the citrus situation. He asks: 'First of all, what is the matter with the citrus industry?' which question he answers by saying: 'Nothing much this year, with less than 15,000,000 boxes to market; with California shy; with Texas not yet on the job and with apples worth ten cents apiece. But sad experience teaches a different story when the crop reaches 20,000,000 boxes, and we look with grave apprehension towards a 30,000,000 box season, with heavy competition from California and Texas certain.....The citrus industry isn't sick just because it hasn't caught up with new market demands developed with the advent of the fruit auction and the chain store supply depot. The fruit isn't punk just because we have lagged a little in our cultural methods. All we need are a few simple readjustments right here at home....."

Guernsey Dairy Industry

An editorial in The Idaho Farmer for Feb. 16 says: "Much is said in this country about the advantages of using dairy sires bred for production, but progress from this point toward more milk and butterfat per cow hardly can compare with, for instance, on the Island of Guernsey, where enforced selection of breeding bulls has been adhered to for 12 or 15 years. The effect of this was not apparent until about 1920, but since then there has been gradual improvement in milk as well as in butterfat production, though as the Guernsey Breeders' Journal points out, A. R. testing on the island focuses on butterfat production with view to retaining the Guernsey's reputation for a high quality product.....The population of Guernsey before the advanced registry started was 38,000 and 3,000 cows were needed to provide this number of persons with dairy products. Improvement in production which has taken place under the selective system makes it possible for 2,500 cows to meet the requirements of the same number of inhabitants. Fewer and better cows are kept, more land is available for crops, and less labor is involved....."

Herd Improvement

The Oregon Farmer for Feb. 16 says: ".....American Herd Improvement Association cows average 7,500 pounds of milk per year, as compared with 4,500 pounds for all American cows, but only 2 per cent of the cow population have joined the select circle of improvement associations.....How long will it take, then, to raise the average of butterfat production for United States cows from 180 pounds, or for Oregon cows from 170 pounds, to an average that will return profit to the owner? Or when will the dairy industry of this country catch up with the increasing demand for dairy products? The answer is, when dairymen generally actually become convinced that some such method as offered by the cow-testing association or the herd test is the only one that will show results. And it has taken 20 years to convince 2 per cent of them that the 'C. T. A.' is worth while! ...."

Production and Consumption in Dairy Products

An editorial in The Dairy Record for Feb. 15 says: "As long as domestic production and consumption are fairly well balanced, the great mass of cream producers probably will never appreciate fully the necessity of taking steps to increase the per capita consumption of butter and other dairy products. It is only when there is an exportable surplus of butter that the producer will realize the vast difference between selling to a domestic market and competing on the world market. While occasional storage excesses depreciate American butter values, prices, on the whole, are fairly satisfactory to the farmer. But the very fact that butterfat does bring satisfactory prices year after year is causing an important, if imperceptible, shift from other types of agriculture to dairying, while within the field there is a strong tendency to expand production. An increased population and a slightly higher average consumption have thus far operated to counterbalance the effect of increasing production, but neither of those two factors is going to prove sufficient if the accumulative effect of all the favorable propaganda is as marked in its results as past records indicate it may be. What is going to be the result? Logically, if our production outstrips our domestic consumption, our only recourse is to become an exporting Nation which means that all of our butter will, within the limits of the tariff, be on a parity with the world's butter price. The American farmer can not afford to sell butterfat on a world's price basis. It would mean a shrinkage in price of as high as 14 cents a pound of butter would be correspondingly greater for butterfat, of course. Yet, this is just what will happen if steps are not taken to provide a domestic market which can assimilate every pound of butterfat which is produced in this country....."

Reclamation and Settlers

An editorial in Ohio Stockman and Farmer for Feb. 25 says: "One of the interesting things that emerged from the Reclamation Conference held at Washington recently is the fact that eleven projects need a total of 5,100 settlers and can't get them without an appropriation of Federal funds to finance them. Consequently the conference appeals to Congress for an appropriation to equip settlers, 'the repayment for such advances to be made over a long term of years at a low rate of interest.' The fact that Government reclamation projects now in operation can not secure settlers without offering them long-term loans at a low rate of interest is significant."

Wool Situation

The Commercial Bulletin (Boston) for Feb. 25 says: "Moderate activity is reported in the wool market, in spite of the holiday and the depleted stocks of wool. Some manufacturers evidently need wool for special requirements quickly and others are willing to buy wools at a price for more remote requirements. The foreign markets are very firm, although America has been less conspicuous among the buyers of late. The foreign primary markets are rapidly nearing their close. Contracting in the west has narrowed very considerably, but the market is still against the buyer. Further openings of men's wear lines at advances of 5 to 12-1/2 cents a yard over last year in fancy worsteds confirm the earlier advances and the tendency of prices upward."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Feb. 25: Livestock quotations at Chicago on heavy weight hogs were $7.70-$8.25; light lights, $6.75-$8.30 and slaughter pigs $6.25-$7.50.

Maine sacked Green Mountain potatoes $2.50-$2.65 per 100 pounds in eastern cities; $2.15-$2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites at $2.05-$2.20 carlot sales in Chicago; and on Saturday $1.95-$2 f.o.b. Waupaca. Midwestern sacked yellow onions $2.50-$3 per 100 pounds in consuming centers. Texas round type cabbage $2.25-$2.75 per barrel crate in terminal markets; $1-$1.10 f.o.b. Lower Ric Grande Valley points. Florida pointed $1.50-$1.75 per 1½ bushel hamper in eastern cities. Eastern York Imperial apples $6.75-$8.25 per barrel in eastern markets. New York Baldwins steady at $7.50-$8 in New York City.

Closing price of 92 score butter at New York was 47½¢.

Closing prices of No. 1 fresh American cheese at New York were: Flats, 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢.

Average price of Middling spot cotton in 10 designated markets advanced 11 points, closing at 18.41¢ per lb. March future contracts on the New York Cotton Exchange advanced 10 points, closing at 18.57¢, and on the New Orleans Cotton Exchange they advanced 11 points, closing at 18.42¢.

Grain prices quoted: No. 2 red winter wheat at Chicago $1.55; No. 2 hard winter $1.37. No. 3 yellow corn 94 to 96½¢, No. 3 mixed corn 92¢, No. 3 white oats 57½ to 59¢ at Chicago. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 48 Section 1 February 28, 1928

REVISED IMMIGRATION QUOTAS

President Coolidge yesterday submitted to the Senate revised figures for the "national origins" basis on which immigration quotas would be founded beginning July 1, 1928. Under existing law, immigration quotas after that date are to be fixed according to tables worked out by a special committee under the supervision of Secretaries Kellogg, Hoover and James J. Davis. Under the proposed new "national origins" quotas a total of 153,685 immigrants would be admitted, as contrasted with 164,867 under existing law until July 1, 1928. (Press, Feb. 28.)

DISTRICT FARMERS' MARKET

The House yesterday passed the Stalker bill authorizing $300,000 for the purchase of a site in the Southwest section of Washington for the farmers' produce market. The bill now goes to the Senate. The press to-day says: "Whether or not a permanent site is to be selected at once for the new farmers' produce market, a temporary site in B Street Northwest, between Sixth and Ninth Streets, should be provided and wooden shelters erected at a cost of $30,000, the District Commissioners yesterday recommended to Congress."

SECRETARY DAVIS ON UNEMPLOYMENT

Secretary of Labor Davis in a statement prepared for The New York Times suggests that labor saving machinery, by displacing hand labor or reducing the number of needed machine operators, may have been conducive to the present amount of unemployment. He says: "I am of the opinion that it has added greatly to the situation. A year ago I called attention to this displacement of workers by machinery that needed to be watched....My plea has been that our inventive genius should direct itself to the discovery of new human needs and the development of new industries to supply them. Critics have said that this would only add to the glut of goods that may account for some of the present unemployment. The answer is that goods are wealth and a glut may result when the public is not unable, but unwilling, to buy...."

FEDERAL EMPLOYMENT BUREAU URGED

Creation of a Federal bureau at Washington to assist in a proper distribution of surplus labor was suggested Feb. 25 by Representative Albert Johnson of Washington State, chairman of the House committee on immigration. Mr. Johnson made this recommendation after consideration of conditions revealed by committee hearings on the bill offered by Representative Box, of Texas, providing for the extension of the 2 per cent immigration quotas to countries of this hemisphere. The hearings have developed that in the Southwest and West there is a seasonal shortage of workers on farms and ranches, which is met only by Mexican workers. Witnesses have said that Americans will not do the work required. Mr. Johnson said that shortage of labor in one section of the country and heavy unemployment in others were due to lack of proper adjustment of supply to demand since the World War. It was indicated that the subject would be investigated through the Federal Employment Service of the Department of Labor. (Press, Feb. 26.)

Section 2

Agricultural Aid

William D. Selder concludes a review of the Business Men's Commission on Agriculture, in The Commercial and Financial Chronicle for Feb. 25, by saying: "What the farmer greatly needs is for business to regulate itself back to the level of the farmer, which is where he was before the war; that is where every activity belongs so far as costs and prices are concerned. Then the farm problem may gradually settle down and cease to rage, but the next thousand years will not smooth it all out. We have been a long time getting where we are. Our present system of land tenure, as indicated by the committee, is certainly defective, and as a land owner and farm operator, I have long realized that fact, but can offer no acceptable present-day solution. It has come down to us through the ages, and changes are difficult of satisfactory solution. For years our citizens demanded that the Federal Government divest itself of the public lands as rapidly as possible, giving to all comers, through the homestead and other land laws, the right to acquire a part of the public domain and settle it up--the acquiring of which was tainted at times with fraud on the part of speculative settlers. Population was what we then wanted, with every farmer owning his own land. Now the public land worth anything is gone. Instead of farmers owning unencumbered land, there are too many mortgages and too many tenants, and more becoming tenants each year. Our forests were given away under the timber and stone acts to many speculative entry men, who sold out to lumber companies, that in turn cut down the forests without replanting, and now it begins to appear as though the Government will be put under pressure to reforest the lands it gave away, instead of retaining the title and licensing the cutting of mature timber only--a mistake for which there is now no responsibility, but which most of us recognize to have been a mistake."

British Cotton Trade

A London dispatch Feb. 27 says: "The British cotton trade continues the subject of anxious discussion. Although the world at large has consumed a greater quantity of cotton than ever before, home consumption in England has remained practically stationary in the past two years, while unemployment in the American section of the trade continues serious. The simple fact of the situation is that Lancashire can not under present conditions produce at prices which compete successfully with other countries. Many factors go to make up the situation, which tells so forcibly against the British textile trade; but wages, working hours and costs in finishing processes are prime factors. ..."

Caldwell on Radio System

"If the people desire to see the present broadcasting structure wrecked the enactment of the redistribution clause agreed upon by the House committee is the surest way for Congress to carry out that purpose, according to O.H.Caldwell, Federal Radio Commissioner from the eastern zone. This is an amendment to the bill passed by the Senate recently and now before the House, which would extend the life of the commission for another year. If the bill is not agreed upon by both Houses by March 15 radio control will revert to Secretary Hoover and the commission will become an appellate body...." (Press, Feb. 27.)

Chile Bars Corn on Cob

A Santiago, Chile, dispatch Feb. 26 says: "Importation of corn on the cob, no matter what its origin, is forbidden in a decree which has been issued by the Minister of Industry. The decree further forbids the admission of machinery packed in straw. Only excelsior may be used for packing purposes, it holds."

Southern Progress

An editorial in Manufacturers Record for Feb. 23 says: "One of the most significant signs of the awakening spirit of the South is the tendency to industrial surveys and research work. Virginia, through its State Chamber of Commerce and its Conservation Commission, announces that a contract has been made with outside experts to make a complete survey of Virginia which will, it is said, take from three to four years. The Associated Industries of Kentucky recently completed a business survey of the State by counties. Piecemeal surveys have been made here and there in other States. Railroads and electric power companies have occasionally made industrial surveys of a portion of their territory and individual cities have done the same thing. Miami, for instance, which has long concentrated its energies upon the tourist business and to agricultural interests in the surrounding territory, realizes that an industrial survey is of supreme importance and its officials and business men have thrown their hearts into this work with the view of making Miami a great industrial center. A few years ago the American Mining Congress determined to make a general mineral survey of the South, and established a Southern Division for that purpose. Under the appropriation it could not cover the entire South in full detail, but it has already accomplished great results....The Florida legislature last year voted the picayunish sum of $15,000 for an industrial survey of the State, an amount which one might think indicated how little these legislators thought of the State's industrial potentialities. That sum is being utilized for such study as can be made on such a basis....Some other Southern States have made superficial surveys here and there...."

Sugar Situation

"The formation of the Sugar Institute by the leading refiners is a step toward better conditions in the refined trade, recently disturbed by extreme competitive conditions which are the natural result of an over-development of refining capacity. Since the formation of this association the trend in refined sugar prices has been downward, due to the decline in raws; but eventually the association, if it works smoothly, should accomplish a broadening in the differential between raws and refined. It remains to be seen whether enough will be accomplished to save some of the common dividend distributions now hanging in the balance. Unless refiners' profits are better in 1928 than in 1927, it is hard to see how payments conservatively can be continued on a number of representative refining issues. Any improvement in the refined situation would be important to the larger American beet producers, now staggering under large inventories and big bank loans which threaten dividends. Beet producers have been contending with a tariff-stimulated increase in production of beets and with higher beet costs. The financial standing of some of the representative larger companies has been reduced by two years of unfavorable conditions." (Mag. of Wall Street, Feb. 25.)

Television in Business "Will Television Revolutionize Business Practice?" is the title of an article by Gormley Penton in The Magazine of Wall Street for Feb. 25. He says: "That telephoto is destined to play a prominent role in ordinary business methods is pretty well forecast by the many uses which enterprising business executives have already found for it. A business man in Chicago considers a proposition offered him by a firm in New York, whose representative discusses the broad features of the deal over the long distance telephone. However, the detailed considerations appearing in a standard form contract must be satisfied; but there is not time to mail the contract form between the two cities. The contract is photographed and transmitted by television, all within a few hours following the 'phone conversation. Or, the legal staff of a corporation is pressing its case in the San Francisco courts and find that they are blocked because certain affidavits are missing. A brief adjournment is arranged, during which time the affidavits are photographed and sent by wire...."

Section 3

Department of Agriculture Secretary Jardine contributes an interview on "The Secret of Farm Prosperity," conducted by Theodore M. Knappen, in The Magazine of Wall Street for Feb. 25. The Secretary is quoted as saying, in part: "The stone that is needed to complete the arch of enduring prosperity in the United States is that of a permanently prosperous agriculture. Our manufacturers have solved the problem of efficient production. Many of them have solved their particular problems of distribution, and they are now organizing to win the great reward of a continental adjustment of sales and distribution on a scientific basis--a reward that the Department of Commerce tells us may be not less than eight billion dollars. I am confident that within the next decade our men of business will effect improvements in their merchandising methods that will be comparable to the progress already made in productivity. All this superlative efficiency of manufacturers and urban commerce will fall short of its reward if an equilibrium of exchange is not effected by a corresponding improvement of agricultural trade. Indeed, it may even defeat itself, for the mills of production must run irregularly and the streams of trade flow intermittently, if the great circle of exchange is weak or broken in the farm sector. We are coming to understand more and more that prosperity depends upon purchasing power throughout the circle, and that depends upon an integral economic structure that provides fair exchange. If exchange is not fair at some point it becomes weaker and weaker and the circle finally snaps. If the farmers, over a considerable period, do not receive as much as they give, the time comes when their ability to give declines and eventually vanishes--and with it vanishes their ability to receive. Then ensues a period of harsh readjustment, out of which, with much travail, issues finally a period when the scales lean toward the farmer. Then the old story of gradual recession of agricultural prosperity begins over again. Just now the farmer is coming to the top again, but a short, or even a long, period of compensatory advantage will not cure the fundamental evil. The lasting cure can be found only in bringing big business to the farmer, or the farmer to big business. It can only be found in a rational control by the farmer of the factors that determine price--for upon price depends equality of exchange. When I mention as one alternative of cure the bringing big business to the farmer, I vision a possible extension of corporate big business

into agriculture. It is already in agricultural commerce to a very large degree--as in meat packing, grain and cotton merchandising, fruit handling, etc. Big business in the form of corporate farm ownership and operation is not an evolution that appeals to me. I vastly prefer that the farmer should come to big business. That is, I would have him become an integral part of big business instead of big business becoming him. That, I believe, is the goal that we are slowly, blindly and stumblingly working toward. The attainment of that goal means that the farmer will attain independent bragaining power--that he will be a powerful seller--that he will intelligently control and adapt production, with a view to a certain equilibrium between his products and the demand for them; and that he will intelligently avail himself of the opportunity to trade self-reliantly and shrewdly that such a balance will endow him with...."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 27. Livestock quotations at Chicago on the following: Slaughter steers, good and choice, $13.50-$16.25; cows, good and choice, $8.25-$11.25; heifers, good and choice, $11.50-$13.25; vealers, good and choice, $13-$16.25; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.65-$8.20; light lights, medium to choice, $6.70-$8.30; slaughter pigs, medium, good and choice, $6.25-$7.50; slaughter lambs, good and choice, $15.50-$16.65; feeding lambs, medium to choice, $13.85-$15.50.

Maine sacked Green Mountain potatoes $2.50-$2.90 per 100 pounds in eastern cities; $2.20-$2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.25 carlot sales in Chicago. Florida Bliss Triumphs $2.75-$3 per bushel crate in Chicago. Midwestern sacked yellow onions $2.50-$3.25 per 100 pounds in consuming centers; very few sales at $2.75 f.o.b. West Michigan points. Texas round type cabbage $2.25-$2.75 per barrel crate in city markets; $1-$1.10 f.o.b. Lower Rio Grande Valley points. New York Danish type $15-$18 bulk per ton in a few cities; $8-$8.50 f.o.b. Rochester. New York Baldwin apples $7-$8 per barrel in leading markets; cold storage stock $7.50 f.o.b. Rochester. Michigan Baldwins $8-$8.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 4 points to 18.37¢ per lb. March future contracts on the New York Cotton Exchange declined 10 points to 18.47¢, and on the New Orleans Cotton Exchange they were down 5 points to 18.37¢. On the Chicago Board of Trade March futures declined 4 points to 18.36¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis, $1.61 7/8-$1.77 7/8. No.2 hard winter, Chicago $1.36½; Kansas City $1.29½-$1.32. No.3 yellow corn, Chicago 95¢-96¢; Minneapolis 91½¢-93½¢; Kansas City 86-90½¢. No.3 mixed corn, Chicago 93-94¼¢; Minneapolis 87½¢-89½¢; Kansas City 82½¢-86½¢. No.3 white oats, Chicago 56½¢-59¢; Minneapolis 53¾¢-55¾¢.

Closing price of 92 score butter at New York was 48¢.

Closing prices of No.1 American cheese at New York were: Flats 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No.49 Section 1 February 29, 1928.

FRENCH TARIFF BILL A Paris dispatch to-day reports that France's new tariff bill was adopted by the chamber last night, 403 to 74. The report says: "The duties on some American imports were increased, others lowered, but in general they are considered satisfactory by the commercial staff of the American Embassy. American tractors were accorded a slight concession..."

THE PRESIDENT ON BUSINESS The press to-day reports: "President Coolidge does not find that there has been any marked recession in business. In his opinion, business is about the same as it was this time last year, with some increase in particular industries. The steel trade is showing improvement, he has been advised, and merchandise activities and trade movements have increased in the last three months. The department store business is not so good as it was this time last year, but, generally speaking, the President's reports show that business has shown no falling off such as to indicate a lack of prosperity."

JAVA-CUBA SUGAR COMPACT The New York Times to-day states that Lamborn and Co.,Inc., yesterday sent the following telegram to their various offices: "We wired Havana that it is rumored that the Java Syndicate has cabled to the Cuban committee that they are now willing to cooperate for crop restriction. Havana replied as follows: 'It is understood that Colonel Tarafa has sent President Machado a cable received from Berlin advising that the sellers' syndicate of the Java crop at Amsterdam is trying to get in touch with the international committee in Berlin in order to cooperate with their plan.'"

BOLL WORM ERADICATION The press of Feb. 28 reports: "The spread of the cotton boll worm in Texas is exciting some alarm, as was evidenced Feb. 27 by a request from President Coolidge made to Congress for the early appropriation of $150,000 to be used for clean-up work prior to July 1 next, as a part of an additional fund of $400,000 held to be necessary. It was learned also that the House appropriations committee, which had been made conversant with the situation in Texas, will make available $200,000 in the bill that will come up in the House as a part of a total fund of $687,800 for work of eradication....Texans particularly are alarmed over the spread of the pest and a Federal appropriation of $10,000,000 for use during the next two years is held by George B. Terrell, Agricultural Commissioner of Texas, to be necessary to cope with this pest. In addition, he suggests that the full cost of compensation to the farmers for their participation in a campaign to stop the growing of cotton in certain areas be assumed by the Federal Government. He has taken the matter up with Representative Buchanan, of Texas...."

Section 2

Business Conditions

In a summary of general business and financial conditions throughout the several Federal Reserve Districts, based upon statistics for the months of January and February, the Federal Reserve Bulletin says: "Industrial production and shipments of commodities by railroads increased considerably in January from the low point reached at the end of 1927. The general level of wholesale commodity prices showed a slight decline. The increase of 6 per cent in industrial production from December to January reflected a larger output of manufactures, particularly of iron and steel and automobiles. Daily average production of steel ingots increased by over 25 per cent in January--the largest monthly increase since 1924. Buying of steel products by the railroads, and by the automobile and construction industries was also active in January, and notwithstanding the large volume of production and shipments, unfilled orders showed an increase during the month. Since the first of February production of steel products has continued active with new orders and shipments more nearly in balance than in previous months. Automobile production, which in December was in smallest volume since 1922, increased considerably in January and was only slightly smaller than in the same month of the preceding year. Cotton consumption showed about the usual seasonal increase in January following substantial curtailment in December and the woolen and silk industries were somewhat more active than in December. Production of minerals, after adjustment for customary seasonal changes, was in practically the same volume in January as in December. Building contracts awarded in January exceeded those for the corresponding month of last year and awards during the first half of February were in practically the same volume as a year ago....The Bureau of Labor Statistics index number of wholesale commodity prices declined from 96.8 per cent of the 1926 average in December to 96.3 per cent in January. Prices of farm and hide and leather products increased, while prices of meats and dairy products, textiles, fuels, nonferrous metals, and rubber declined. During the first two weeks of February, prices of grains, cotton, silk, and wool advanced, while those of cattle, sugar, and rubber declined...."

Direct Buying

An editorial in Wallaces' Farmer for Feb. 24 says: "...We believe that direct buying has grown to its present proportions because certain packers can get their hogs more cheaply that way than any other. The saving to the packers is not so much because the farmers sell more cheaply, but because of savings in freight rates, bruises, fills, and commission and yardage charges. In the case of some but not all packers, it seems to be possible to route hogs more directly and with less waste from the producer to the consumer by means of direct buying than by using the central market. We don't think direct buying will destroy the commission men or the central markets. But neither do we think that the commission men will be able to stop direct buying. Their present campaign may keep direct buying from increasing for a while, but this influence will soon wear off if it is true, as some packers claim, that direct buying is the more economical way for them to handle hogs....One lesson we want to drive home to farmers is that if direct buying is as economically sound as the packers think, it is absolutely essential that farmers get ready to build up their own local concentration points. In some communities it may be all right for farmers to get together in the signing of an agreement to ship only to commission firms at central markets. Most farmers, however, should

consider many points in direct buying which are not brought out at all by the commission men. The problem is not altogether one of maintaining central markets, but is really one of getting livestock from producers to consumers as cheaply as possible and leaving as high a percentage of the consumers' money in the hands of the farmers as is possible."

Eastern Farms An editorial in The Michigan Farmer for Feb. 25 says: "Two matters confuse us. One is the apparent ease promoters seem to have in interesting Congress in reclamation projects for increasing agricultural lands. The other matter concerns the attitude of the eastern farmer on transcontinental rates on agricultural products. Recently, at a hearing in Chicago, the representatives of one of the largest eastern and mid-western farmer organizations favored the reduction of rates from second to third class on carload egg shipments. Who would benefit from this reduction? Certainly none other than the Pacific Coast farmers who find it convenient to ship eggs in carload lots, to successfully compete with the poultrymen of Michigan and other eastern farmers for the Atlantic Coast egg trade. Here is another case. A group of eastern feeders recently petitioned for a reduction in the freight rate for alfalfa hay from the West. Can we not grow sufficient alfalfa hay in the Eastern States to care for the demand for that product and will not the farmers of these States be immeasurably better off for having added alfalfa to their crop rotation, than in working out a program requiring the trekking of this product across the continent? Another case of particular interest to Michigan producers is the established rates on grapes as set down by the Interstate Commerce Commission. From Lawton to New York City the distance is a little over eight hundred miles. It is about thirty-six hundred miles, or four and one-half times as far, from Los Angeles to New York City. The freight rate on grapes from Lawton to the Atlantic sea port is $1.17 and from Los Angeles it is $1.73. There may be a sound basis for these rates but we can not understand it. Our thought is that in the interest of good transportation service, the rate from the West is entirely too low. Certainly the small difference between these figures can not be justified. So here we have a dilemma. Farms are being developed in the West through appropriations made by Congress while farms are being abandoned in the East. At the same time farmers of the East are lending their influence to lower freight rates on western farm products which comes in direct competition with the products of the eastern farms. We do not feel that it is just to tax the eastern farmer for the development of western competition to his business. We feel also that rates on agricultural products ought to bear some relation to the distance which transportation companies are called upon to carry those products."

Industrial Development "American industry is not yet a homogeneous and stable industry. Within the political boundaries of the country, it is mobile; the localization of industry is a changing one. Developments in transportation; the discovery of new available pockets of labor; the force of competition are all factors that from time to time lead to substantial shifts in the centers of industrial activity. Thus the East becomes industrialized; then the West; and now the South. The phenomenon in its broadest aspects is not unlike the historical discovery of new empires, or, more accurately, new geographical areas, with their undeveloped human and material resources...The cotton textile industry

of this country is commonly believed to be passing through such a phase of its development. The industry is regarded as failing in the North and as growing in the South...." (News Bul.,Nat'l.Bur. of Economic Research, Feb. 15.)

Jamaica's Economic Possibilities

Jamaican correspondence to The Economist (London) for Feb. 11 says: "The economic interests of Jamaica are purely agricultural, and are bound up with the three commodities--bananas, sugar, and rum, principally the first named. Sugar production was of considerable importance befofe Germany developed her beet industry and Cuba her enormous output of cane. The tremendous prices of the boom post-war years gave a fillip to the industry, which is even now in a much better position that in immediate pre-war years. However, the difficulty of competing with Cuban large-scale production and the depressed price of recent years has led to the turning over of much sugar land to the growing of bananas, which always find a certain market. The banana industry is passing through an interesting phase at the present time. A single powerful American concern, the United Fruit Company, practically controls the banana industry of the world, and has built up a system of alternate sources of supply, of which Jamaica is one. This company exercises a dominant control of prices, and can make its own terms with producers. It has large banana estates of its own in the island, but also buys heavily from private producers. Owing to a feeling among the latter that better prices than those paid by the company--or by brokers--could be obtained for their fruit, a Jamaica Producers' Association, with a subsidiary banana association, was formed last year 'to promote, foster and encourage the marketing of the agricultural products of Jamaica cooperatively.' The movement has had considerable success, but the question of a direct line of steamships to carry bananas to England (the market in view) is still undecided. At the moment transport to the latter country is exclusively handled by the United Fruit Company in conjunction with a subsidiary line of English ships. Offers of transportation have been made by other existing companies, and also by American interests, though it is felt that a British line ought to undertake the service. The Empire Marketing Board, in fact, has voted 1,200 pounds a year for two years to forward this scheme....The year 1926 was a very prosperous one for Jamaica. An export of 12 or 13 million count stems is considered a good average, but in 1926 this figure exceeded 18 million stems, valued at 2,072,155 pounds, and may be as much as 20 millions for 1927. The two chief purchasers are the United States of America and the United Kingdom, the former taking 13,719,300 of the 18,301,400 stems exported in 1926 (of which about three million were for the Canadian market) and the United Kingdom 3,012,232. Germany bought 1,474,400. It is hoped further to develop the English and Continental market...."

Production and Distribution of Food

An editorial in Modern Miller for Feb. 25 says: "Mr. Julius Kahn, of the Truscon Steel Co., says: 'The real trouble with business isn't lack of wealth, overproduction and lack of demand. It is not entirely foreign competition. It isn't an overextension of credit and it is not a shortness of ready money. Give the American business man a chance. Give him the confidence and cooperation of the public. Make it possible to earn the assistance of labor. Stimulate his genius for research and invention with a reasonable profit. Place before him inducements for further development of our natural resources. Make achievement a worthy aim, not accumulation, oppression and

deceit. Urge him to respect and help our Government and its laws. Do not put forward restrictions which encourage efforts to develop means of evading them.' Thought is rapidly crystallizing on the necessity for selling stabilization. The American Institute on Food Distribution has established offices in New York to stabilize conditions in the food industry. Here is apparently a group of manufacturers who see that selling and distributing methods are undergoing great change. No doubt the chain store and the status of brokers are points in the matter of distribution which have to be dealt with. There is evidence at hand that many industries are trying to stabilize markets by a study of trade practices. One thing the committee will work to discover is 'what is a sound system of quantity discounts or volume adjustments.' We find quite a few industries working to solve the stabilization of markets and not let competitive methods tear down the industries...Naturally there will be some counter thought to a revision of anti-trust laws and it may take years to mold opinion and create confidence in a new program which offers manufacturers some protection against overcompetition, but the trend is in that direction."

Section 3.

MARKET QUOTATIONS

Farm Products Feb. 28. Livestock quotations at Chicago: Slaughter cattle, calves and vealers; steers, good and choice, $13.50-$16.50; cows, good and choice, $8.25-$11.25; heifers, good and choice, $11.50-$13.25; vealers, good and choice, $12.75-$15.75; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.75-$8.10; light lights, medium to choice, $6.50-$8.15; slaughter pigs, medium, good and choice, $6-$7; slaughter lambs, good and choice, $15.25-$16.40; feeding lambs, medium to choice, $13.85-$15.60.

Maine sacked Green Mountain potatoes $2.60-$2.90 per 100 pounds in eastern cities; $2.25-$2.35 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.25 carlot sales in Chicago; mostly around $2 f.o.b. Waupaca. New York and midwestern sacked yellow onions $2.75-$3 per 100 pounds in consuming centers; $2.75-$3 f.o.b. Florida pointed type cabbage $1-$1.75 per 1½ bushel hamper in a few eastern cities. Texas round type $2-$2.75 per barrel crate in terminal markets; $1-$1.10 f.o.b. New York Baldwin apples $7.50-$7.75 per barrel in New York City. Eastern Yorks $7.25-$8. Michigan Baldwins $8-$8.50 in Chicago.

Closing price of 92 score butter at New York was 49¢.

Closing prices of No.1 fresh American Cheese at New York: Flats 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢.

Average price of Middling spot cotton in 10 designated markets declined 28 points to 18.08¢ per lb. On the same day in 1927 the price stood at 14.11¢. March future contracts on the New York Cotton Exchange declined 27 points to 18.20¢, and on the New Orleans Cotton Exchange they were down 33 points to 18.04¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.61-$1.77¼. No.2 red, Chicago $1.55½. No.2 hard winter, Chicago $1.37½; Kansas City $1.29-$1.31. No.3 yellow corn Chicago 94¾¢-96½¢; Minneapolis 91-93¢; Kansas City 86-90¢. No.3 mixed corn, Chicago 96¼-96½¢; Minneapolis 87-89¢; Kansas City 84-86½¢. No.3 white oats, Chicago 55¾¢-60¢; Minneapolis 53 5/8-55 5/8¢; Kansas City 57½¢-59¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 50 Section 1 March 1, 1928.

DEPARTMENT APPROPRIATION BILL The House appropriations committee yesterday reported out the Department of Agriculture appropriation bill carrying a total of $143,319,349, according to the press to-day.

BOLL WORM BILL The House yesterday adopted a resolution recommending an appropriation of $200,000 to combat the pink boll worm work of the Southwestern States, according to the press to-day.

MCNARY-HAUGEN BILL The House agricultural committee yesterday reopened hearings on the McNary-Haugen farm relief bill to permit members from Minnesota to indorse the equalization fee. (Press, Mar. 1.)

REFORESTATION BILL The press to-day reports that spokesmen for newspaper publishers appeared before the agriculture committee yesterday to indorse the McSweeney bill to promote reforestation. They said reforestation was needed to insure the future supply of paper.

FLOOD CONTROL BILL A new Mississippi River flood control bill, approved by the Senate committee on commerce, was reported to the Senate yesterday by Senator Jones of Washington, the committee chairman. It was a compromise as between the Jadwin plan and the Reid bill, now pending in the House. The Jadwin plan, drafted by the Army Engineers, calls for an expenditure of about $290,000,000, with the flood victims paying 20 per cent of the cost, while the measure approved by the House committee on flood control provides for an appropriation of $473,000,000 with the Government paying the entire expense. The bill that came to the Senate yesterday appropriates $325,000,000. There is also provided a committee of three engineers, including Major Gen. Edgar Jadwin, Chief of Engineers; Col. Charles L. Potter of the Mississippi River Commission and a third from civil life to be appointed by the President, for the furtherance of important problems concerning the full scope of flood relief that should be undertaken. (Press, Mar. 1.)

CUBAN PARCEL POST The press to-day reports that beginning at midnight last night, which marks the end of the modus vivendi extending the parcel post convention between Cuba and the United States, all mail parcels sent from either country to the other will be returned to their point of origin. By the refusal of Congress to enact legislation for permitting the importation from Cuba of cigars in lots of less than 3,000, and the insistence of the island republic upon the termination of the postal convention of 1903 unless this was done, no parcel may now be transmitted except by express or freight, postal officials pointed out.

Section 2

Beef Grading in Canada

An editorial in The Nor'-West Farmer (Winnipeg) for Feb. 20 says: "It was suggested in a recent issue that if beef grading was adopted in Canada, it would probably be necessary to make some changes after the system had been tried out. That this is actually the experience of the United States beef grading policy is indicated by the recent announcement to the effect that the grading policy has been extended to include 'good' beef as well as 'prime' and 'choice,' the first two grades decided upon. This change will permit the grading of some 27 per cent of the beef offered whereas under the original plan only 5 to 7½ per cent of the offerings was eligible for the 'prime' and 'choice' grades. It is considered in some quarters that there would be difficulty in finding a continuous supply of beef in Canada that would be sufficiently well finished to qualify for the top grades, that is, a supply equal to the demand for high quality beef that would be likely to develop. It must be admitted that the quality of butcher cattle coming on the market at the present time is good grounds for such a belief. On the other hand it is difficult to believe that there are not enough progressive cattlemen in this country who would undertake to market well finished cattle if they can be shown that there is a definite demand for the finished product."

British Aviation Subsidy Aid

The development of civil aeronautics in Great Britain in the last few years has been made possible because of the substantial financial aid granted by the British Government, according to Brewer V. York in a report recently issued by the transportation division of the United States Department of Commerce. Since March, 1921, the report shows, about $17,000,000 of public moneys has been provided for the promotion of civil air transportation in the United Kingdom. (Press, Feb. 29.)

Equalization Fee

An editorial in The Wall St. Journal for Feb. 29 says:"...A year ago there was considerable discussion as to whether the equalization fee was a tax or not. In its report, the House committee on agriculture said that if Congress had authority to enact an equalization fee provision as an exercise of the power to regulate interstate commerce, it was immaterial whether or not it had power to enact one as an exercise of the taxing power. But the advocates of the plan did not succeed in demonstrating that the fee provision was a constitutional exercise of the power to regulate interstate commerce. It is doubtful if the Supreme Court would hold such a provision to be a regulation of commerce. The purpose of the interstate commerce clause in the Constitution is to protect commerce from discrimination and the imposition of burdens while the equalization fee would be laying burdens upon it. The Attorney General in his opinion to the President pointed out that whether the fee provision was to be considered to be a regulation of commerce or a tax was immaterial, for in either case it would be unconstitutional. If the claim was made that it was not a tax, then, he said, it would be a violation of the constitutional provision that forbids the taking of property without due process of law. If it is to be considered as a tax, then the manner of its imposition and collection could not be considered as in accordance with the taxing power of Congress. There is a decision of the Supreme Court upholding the provision in the transportation law regarding the recapture of earnings above a certain percentage. That, too, has been looked on as a precedent for enacting an equalization fee in the proposed farm relief law.

But there is a vital difference between the two. Congress has the power to regulate commerce, and therefore to limit the charges for services by interstate carriers. On the other hand, it has no power to fix the prices at which commodities shall be sold, nor has it power to limit the prices and recapture any part above that limit, as it would be doing if it were to enact an equalization fee...."

Flexible Tariff

The Associated Press Feb. 26 reports: "There can be no doubt, the Government contended in a brief filed in the Supreme Court Feb.25, that the authority delegated to the President under the flexible sections of the Tariff law is constitutional. The brief was prepared for use in the oral argument of the appeal of J.W.Hampton, jr. & Co., of New York, challenging the validity of the flexible sections following an order of the President increasing the duty on barium dioxide. In contending that Congress had the authority to delegate to the President power to raise or lower duties to meet changes in the cost of production at home and abroad, the Government asserted that the law authorized the President only to find the facts and did not allow him to make laws. With the assistance of the Tariff Commission he is to determine, the brief pointed out, the domestic and foreign cost of production and apply the rules laid down by Congress to adjust any difference he may discover in such costs."

Livestock Marketing

An editorial in Ohio Stockman and Farmer for March 3 says: "Much to our surprise we are accused of 'straddling' on the question of direct marketing of livestock, so let's make it clear. We believe that producers will fare best if they ship their livestock to market where all buyers must compete for it. This has been our position all the time and is now. But we don't believe in the legislation proposed in the past or that proposed now on this subject. That ought to be clear enough for anybody. Those who don't agree with either end of it are at perfect liberty to disagree. The discussion of the subject is bound to do some good no matter what becomes of the proposed legislation, for it will lead to a better understanding of the basic value of a competitive market. It may also show stockyards companies that they should go after business same as anybody else, instead of sitting around and waiting for it to come along."

Marconi on Radio

A London dispatch Feb. 25 says: "Guglielmo Marconi Feb. 24 predicted sensational advances within three years in wireless. 'Wireless to-day has a horizon immeasurably greater than it was,' he said. 'Great as its progress has been since the introduction of the beam, I think the next two or three years will see a sensational development. Take wireless telephony, for example, I am certain that before very long we shall be in telephonic communication with all the dominions. For full imperial development, much depends on the Government. Technically, the whole thing could be completed in a very few months. Another tremendous development is the transmission of the facsimile of a whole sheet of type or script in its original form. By this method we can transmit a whole page of a newspaper, an autograph or a message in the sender's handwriting. Very shortly we will be trying it to Canada. I am convinced that ultimately the facsimile will supersede Morse. It is much cheaper and quicker...."

Mitchell on Business Cycles and Income Streams

How are the money incomes of individuals from different sources affected by business cycles? To answer this question Professor Wesley C. Mitchell, director of research of the National Bureau of Economic Research, has made a critical analysis of the fluctuations of the various income streams such as earnings, profits, dividends, rents and interest, using the returns which were reported to the Bureau of Internal Revenue in the period 1919-1924 inclusive. By reducing the yearly figures for the various income streams to relatives based upon their respective average values, and also computing the percentage change from one year to the next, he shows the student of business cycles which streams have been fairly steady and which have been highly variable. Profits appear to be, as one expects, much the most variable type of income. They fall nearly 30 per cent in one year and increase over 40 per cent in another year. Rents and royalites rank next in average variations; but these figures may not be representative, because, during the years covered, rents seem to have been undergoing a belated adjustment to the change in the general level of prices brought about by the war. They make spasmodic advances in 1921, 1923 and 1924, while in two other years they show no change. Interest, investment and fiduciary income varies much more than one would expect. All the changes are increases. Even in the severe depression of 1921, interest receipts did not fall off. Dividends, while moving up or down every year, proved decidedly the stablest type of money income in this period. That is, the changes, though frequent, were small in comparison with the maximum changes in the other types of income. "Particularly striking, and particularly important for our problem," observes Doctor Mitchell, "is the contrast between the extreme variability of profits and the relative steadiness of dividends. Most men of property diversify their investments, holding some bonds, some stocks, and perhaps some real estate. Hence the changes in the money incomes of the investing classes are best ascertained by adding together interest, dividends and rents. On so doing we get an income stream whose average volume (according to the Internal Revenue figures) is about equal to the volume of profits, but which varies not much more than dividends. This is the flow which we should compare with profits on the one hand and wages on the other. That comparison indicates that the largest of the income streams, payments to employees, as wages, salaries, commissions, bonuses, pensions and the like, was decidedly less variable than profits in 1919-24, and decidedly more variable than income from investments in securities and real estate....Thus the conclusion is probably valid that the largest of the money-income streams are also the most variable in flow. Wages, salaries and profits added together make over three-quarters of taxable income; of total income received in money, they probably make four-fifths. And their aggregate volume may change by 15 or 20 per cent, or, in extreme cases, even more, in a single year." (News-Bulletin, Nat'l. Bur. of Econ. Research, Feb. 15.)

Rubber Restriction

A Colombo, Ceylon, dispatch to the press of Feb. 28 says: "Doubt of the value of rubber restriction under present conditions was expressed Feb. 27 by J.J.Wall, presiding at the annual meeting of the Ceylon Chamber of Commerce. 'With the established use of reclaimed rubber and an ever-increasing output from the Dutch Indies, I find it difficult to put forward a reasonable argument for continuance of restriction,' Mr. Wall said. 'It seems to me that unless the Dutch interests are prepared to come in with us we are bound to weaken our own position eventually by continuing our efforts to control the position by restricting exports.'"

Section 3
MARKET QUOTATIONS

Farm Products Feb. 29. Livestock quotations at Chicago: Slaughter steers, good and choice, $13.50-$16.75; cows, good and choice, $8.25-$11.25; heifers, good and choice, $11.50-$13.25; vealers, good and choice, $12.75-$15.50; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.60-$8.15; light lights, medium to choice, $6.50-$8.25; slaughter pigs, medium, good and choice, $6-$7.25; slaughter lambs, good and choice, $15.25-$16.40; feeding lambs, medium to choice, $13.85-$15.60.

Florida Spaulding Rose potatoes sold at $11-$11.50 per barrel in Philadelphia. Maine sacked Green Mountains ranged $2.60-$3.10 per 100 pounds in eastern cities; $2.25-$2.35 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.05-$2.20 carlot sales in Chicago. Midwestern sacked yellow onions sold mostly around $3-$3.25 per 100 pounds in consuming centers; very few sales at $3.10-$3.15 f.o.b. West Michigan points. Florida pointed type cabbage brought $1-$1.75 per 1½-bushel hamper in a few eastern markets. Texas round type $2-$2.75 per barrel crate in terminal markets; mostly $1 f.o.b. Lower Rio Grande Valley points. New York Baldwin apples $7.50-$8 per barrel in New York City; Rhode Island Greenings $11-$12.

Average price of Middling spot cotton in 10 designated markets advanced 20 points to 18.28¢ per lb. March future contracts on the New York Cotton Exchange advanced 19 points to 18.39¢, and on the New Orleans Cotton Exchange they were up 15 points to 18.19¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.61¾-$1.67¾. No.2 red winter, Chicago $1.56. No.2 hard winter, Chicago $1.38; Kansas City $1.29-$1.31. No.3 mixed corn, Chicago 94½-96½¢; Minneapolis 87½¢-89½¢; Kansas City 86½¢-89¢. No.3 yellow corn, Chicago 96¾¢; Minneapolis 91½¢-93½¢; Kansas City 87½¢-91¢. No.3 white oats 56¼¢-60¼¢; Minneapolis 54 3/8¢-56 3/8¢; Kansas City 59¢-60¢.

Closing price of 92 score butter at New York was 49¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 51 Section 1 March 2, 1928.

NEW VITAMIN REPORTED An Associated Press dispatch to-day from Berkeley, Calif., says: "Dr. Herbert M. Evans, chairman of the Department of Anatomy, University of California, yesterday announced the discovery of a new vitamin, the sixth known to science. The discovery will be designated as vitamin F, to follow vitamin E, otherwise known as X, also brought to light at the University of California. Vitamin F, Doctor Evans said, is essential for normal growth in animals, who attain scarcely more than half their normal size and remain immature without it. The discovery resulted from a test of pure food administered to rats, he said. Doctor Evans was assisted in the research by Dr. George O.Burr, now chemist at the University of Minnesota. 'When a food mixture consisting of highly purified casein and recrystallized cane sugar was employed,' Doctor Evans said, 'with the addition of certain necessary salts and the five previously known vitamins, the rats were scarcely more than half normal size, growth stopped altogether and the animals remained immature. Natural food was necessary to awaken their growth and convert them into healthy adult animals. Among the natural foods, lettuce and liver were the most potent and they therefore almost certainly contain a new, sixth member of the vitamins.'"

STOCKYARDS BILL The press to-day reports that hearing on the Capper bill aimed at Federal control of the private concentration stockyards of the big packers was continued by the Senate agricultural committee.

BOULDER DAM BILL The Senate irrigation committee yesterday rejected an amendment to the Boulder Canyon Dam bill, under which the Secretary of the Interior would have been required to endeavor to contract with States, municipalities, individuals or corporations for constructing a power plant before building a Government plant. (Press, Mar. 1.)

RUBBER PRODUCTION An Associated Press dispatch from The Hague to-day reports: "Dutch rubber growers at a meeting at The Hague yesterday adopted a resolution for the appointment of a committee which will watch over the interests of Dutch growers and in case of necessity initiate negotiations with foreign growers and consumers. This committee was appointed immediately. A communique issued after the meeting stated that a large majority of the growers were in favor of mutual cooperation and that it was not felt there was any need to appeal to the Governments of Holland or the Dutch East Indies."

A Colombo, Ceylon, dispatch says: "A motion recommending removal of the present restrictions on the export of rubber in Ceylon has been introduced in the Legislative Council at Colombo. 'That this Council recommends to the Government the urgent desirability of acceding to the general desire evinced in the country for removal of the present restriction in regards to the exportation of rubber.'"

Section 2

Business and the Government

John T. Flynn, writing under the title "Business and the Government" in Harper's for March, says: "...Various champions of American business have brought forward an immense amount of evidence to show that there is too much Government in business--too much Government, in fact, in almost everything....Yet is it all true? Are these amazing figures fair?...The last Congress enacted a total of some 1,223 measures. Of these about 400 were resolutions and private bills. Of the remaining 800 all but a few were regulations affecting the control of the various Government departments. A member of the House made an estimate of the number of laws of general application passed by that Congress, and there were only about 36--certainly not many more than that....For instance, from the beginning of Congress up to 1925 there were passed some 52,000 measures. More than 32,000 of these were private bills--bills authorizing pensions or refunds or damages. There were not quite 20,000 actual laws passed: an average, during 136 years, of 150 laws a year. When we remember that among these are included the civil and criminal statutes, the laws governing the Army, Navy, Post Office, and all Government departments, and the tax bills, the number does not seem large....If Congress and the legislatures do not enact more laws, however, it is not the fault of business. There are, to be sure, laws which regulate business and interfere with some of its plans. But most of the laws that control or hamper business have been passed--surprising as it may seem to those who clamor for 'less Government in business'--at the demand of business itself. If more laws are not passed to hinder business it is because Congress and the legislatures have the good sense and forbearance, often in the face of immense pressure, to resist the organized drives of various special business groups to push through new laws to serve purposes of their own....I have even seen a letter to Congress indorsing some of these anti-chain-store bills and anti-department-store bills typed on a letterhead bearing at the top the legend, 'More business in Government and less Government in business.'...'The State bankers' associations in most States have taken the initiative to bring about the enactment of new laws to improve the condition of the banks and add to the protection of stockholders.' Some of these bankers' associations have actually advocated more powerful State banking departments armed with more potent weapons of control....Week after week the trade associations come pouring into the Capital to put in their claims for interference....Yet anyone who has a taste for history may discover that while these measures interfere or propose to interfere with business, back of them originally were other great groups of business interests....The slogan which invites the Government to remain out of business is followed quite naturally by a second slogan, a corollary of the first, to this effect: Let Business Rule Itself....Is it proposed, then, that the business men of the country shall be regarded as an autonomous block in our society and that they shall be permitted to set up a machine for their own government? If this is what is meant, does it not look very much like a proposal to erect within the state a lesser state--if not a greater one? Is it not like saying to the Government in so many words: 'You may regulate the relations of the citizens as citizens, but not in their character of business men?'...We are entering an era of industrial regulation more minute and uncompromising than anything we have ever known. ...And how does it propose to carry out this program? The instrument of rule now in favor is the trade association....The regulation of

business, in our complex social order, is the regulation of life. Business to-day is no longer a small affair involving the relations of individuals. It is a vast affair involving the relations of great groups. It is full of human problems as well as financial, mechanical, and economic problems. And if good business brains are needed to cope with the purely commercial problems, good statesmen are no less wanted to understand the troublesome and pressing human problems...."

Business Conditions

The New York National City Bank March 1 issued the following statement: "The reports on industry and trade show that business has made further progress during February, but the situation is still marked by irregularity and prospects for the future continue confused. A number of important lines of industry such as iron and steel and automobile manufacturing have had a substantial recovery from the December-January low points, but taking business as a whole the gains have not been broad enough to carry general conviction and a prevalent attitude is still one of uncertainty as to how much of the recent improvement can be counted on as permanent. While admitting that tangible evidences of recovery are not as definite as was hoped two months ago, a re-examination of basic factors fails to reveal any fundamental reasons why we should not expect at least an average amount of good business during the year. Aside, however, from psychological influences, there seems no reason why business should look forward to the year with apprehension. By and large there are no burdensome inventories that have to be worked off before business can go ahead. On the contrary, inventories generally have been allowed to run down to the point where some stocking up would now seem to be in order. Money conditions, moreover, continue easy and there is an abundance of funds seeking investment. Such conditions are favorable to enterprise and pave the way for projects whose carrying forward involves employment of labor and consumption of materials--in other words provides the ground work for general business recovery."

Meat Prices

A review of the meat and livestock situation during the month just closed, issued Mar. 1 by the Institute of American Meat Packers, states: "A good demand for fresh pork, with declining wholesale prices, featured the meat trade during the month just closed. The supply of pork was plentiful as a result of heavy receipts of hogs which, in the case of the seven principal markets, were 50 per cent greater than in the same month of last year. The pork trade as a whole was good throughout the month. Both cattle and beef prices declined during the month, and the beef trade remained unsatisfactory. The declines in wholesale beef prices exceeded the decrease in the price of cattle. The export trade with the United Kingdom was quiet...."

Pool Buying

An editorial in The Country Gentleman for March says: "American farm organizations have acted wisely in supporting the plan to legalize the pooled buying of rubber and other raw materials subject to foreign control. Farmers have a distinct stake in the matter. They are heavy users of rubber in truck and automobile tires, of sisal for binder twine and potash for fertilizers, to mention three of the commodities involved. To make such buying legal an amendment to the Webb-Pomerene Act is required. This act, passed in 1918, permits American manufacturers to form export associations or sales pools, without fear of prosecution under the anti-trust laws, for the disposal of their

products abroad. It was intended to enable American exporters to meet organized foreign competition. Since then organized foreign control of a number of raw materials used in large quantities in this country has developed. The amendment would simply extend legal sanction to organized buying by Americans to offset organized foreign selling policies. The plan has already had a real tryout. During 1927 a $50,000,000 rubber-buying pool was in operation in this country and, by reason of its great bargaining power, apparently had an important effect on prices. According to testimony before a House committee, the difference between the high and low prices of rubber in 1925 was eighty-four cents a pound; in 1926 it was fifty-five cents a pound, but in 1927 it was only nine cents a pound. This was the greatest stability in rubber prices in twenty years. Since the United States uses around 900,000,000 pounds of rubber a year the cost of only a few cents fluctuation in prices is a very large item. Similar savings, it is indicated, might be effected by the consolidated buying of sisal, potash, nitrates, coffee, camphor and other commodities, wholly or in part subject to controlled foreign selling. Any savings gained would be likely to reach about every American pocket."

Purebred Sires In Canada — An editorial in The Nor'-West Farmer (Winnipeg) for Feb. 20 says: "Provincial Departments of Agriculture in the Prairie Provinces are taking up the work of supplying purebred sires to farmers where the Federal Livestock Branch left off a year ago when the sire loan policy with respect to bulls was discontinued. At the annual meeting of the Provincial Cattle Breeders' Association held in Edmonton last month a resolution was passed requesting the Alberta Department of Agriculture to adopt a policy of supplying purebred bulls to farmers' associations. The question of purebred sire areas is also under consideration. Saskatchewan adopted the purebred sire area plan a year ago. Purebred sire areas are the natural complement to any policy of supplying purebred sires to farmers. Anyone who is familiar with such projects in rural districts can give instances where the scrub bull on the roadside has put many purebred sires out of business."

Rural Schools — In an editorial on the rural school, The New York Times for Feb. 27 says: "It is estimated that there are still about 12,000,000 children in strictly rural schools. And about 40 per cent of these--in round numbers nearly 4,750,000--are in one-teacher schools, of which there are 150,000. This would make an average enrolment of 33. In the State of New York in 1925 there were still more than 7,000 such schools, and of that number nearly half (3,000) had an average attendance of 10 or less, and over 600 with 5 or less (about 15 having only 1). Recent steps have been taken to eliminate, through consolidation of districts, these schools of such low attendance. This being done, the rural child might have an educational advantage, if the teacher were well prepared. One of the speakers at the Boston conference, the president of a State Teachers' College in Missouri, contrasted the training and compensation of the country and city teacher in this brief summary: 'The teacher in the rural school gets $750 a year and a city teacher $1,900. The one has a year of experience without supervision and the other has five years of experience with supervision. The one teacher is a high school graduate and the other a college graduate. The rural school has a library of 100 books and the city school has a

library of 5,000 books.' While these quantitative factors--salaries, years of training and books in the school libraries--do not alone furnish the indices of successful teaching, they do suggest that, other things being equal, the rural school and so the country child are not fairly dealt with...."

Section 3
MARKET QUOTATIONS

Farm Products Mar. 2. Livestock quotations at Chicago: Slaughter steers, good and choice, $13.50-$16.25; cows, good and choice, $8.25-$11.25; heifers, good and choice, $11.50-$13.25; vealers, good and choice, $12.50-$15; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.70-$8.25; light lights, medium to choice, $6.60-$8.35; slaughter pigs, medium, good and choice, $6-$7.25; slaughter lambs, good and choice, $15-$16.50; feeding lambs, medium to choice, $13.85-$15.60.

Maine sacked Green Mountain potatoes $2.60-$3.10 per 100 pounds in eastern cities; $2.25-$2.30 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.10 carlot sales in Chicago; $1.85-$1.90 f.o.b. Waupaca. Florida Bliss Triumphs $2.90-$3 per bushel crate in a few cities. Midwestern sacked yellow onions $3-$3.75 per 100 pounds in consuming centers; few sales $3.15-$3.25 f.o.b. West Michigan points. New York Baldwin apples $7.50-$8 per barrel in New York City; few sales $7.50 for cold storage stock f.o.b. Rochester. Various varieties of strawberries from Florida 50¢-65¢ per quart in leading markets.

Average price of Middling spot cotton in 10 designated markets advanced 6 points to 18.34¢ per lb. March future contracts on the New York Cotton Exchange advanced 6 points to 18.45¢, and on the New Orleans Cotton Exchange they also advanced 6 points, closing at 18.25¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.61 3/8-$1.67 3/8; No.2 red winter Chicago $1.59; Kansas City $1.50-$1.53. No.2 hard winter, Chicago $1.37¾; Kansas City $1.30-$1.32. No.3 mixed corn Chicago 94¾¢-95¼¢; Minneapolis 87¢-89¢; Kansas City 86½¢-89¢. No.3 yellow corn Chicago 96½¢-97¾¢; Minneapolis 91¢-93¢; Kansas City 88¢-91¢. No.3 white oats Chicago 58¢-60¾¢; Minneapolis 54½¢-56½¢; Kansas City 58¢-60¢.

Closing prices of 92 score butter at New York was 49¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29-29½¢; Young Americas 29½¢-30¢; (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 52 Section 1 March 3, 1928.

COTTON FORECAST LEGISLATION The press to-day reports: "A limitation was placed upon the cotton forecasting activities of the Department of Agriculture by the House yesterday in appending to the agricultural supply bill an amendment prohibiting the use of funds for the issuance of cotton price trend predictions. The amendment is subject, however, to a final vote on the whole bill. It was adopted by a vote of 62 to 48 and was offered by Representative Dickinson, in charge of the bill on the floor, as a substitute for an amendment by Representative Jones, of Texas, which would have prohibited the issuance of any price trend predictions...."

RETIREMENT LEGISLATION Beginning the task of writing a new retirement bill yesterday, the House civil service committee tentatively agreed that it should provide for a maximum annuity of $1,200. The maximum now is $1,000. The committee also tentatively agreed on a provision which would permit employees to base their retirement annuity on the pay they received for any ten-year period of their service. At present the annuity is based on the last ten years. A third provision tentatively approved by the committee would require that an employee retired on account of disability, and who recovers within one year, be given a position comparable to his old position. (Press, Mar. 3)

An editorial in The Washington Post to-day says: "....The Lehlbach bill still has a long and rocky road to travel, but it is to be hoped that action can be obtained on it during the present session....When one considers that the Lehlbach bill provides for a maximum annuity of $1,200, and that a considerable portion of those retired do not obtain the maximum grant, one realizes that in this age of high prices the proposed relief is niggardly enough. The legislation is of paramount importance to some 60,000 Washingtonians. It merits immediate consideration."

MT. VERNON HIGHWAY MEASURE The Moore-Swanson bill authorizing $4,000,000 for construction of a memorial highway from Arlington Bridge to Mount Vernon was favorably reported to the Senate yesterday by the Senate library committee. If the bill becomes a law, the dedication of the memorial highway would be a feature of the celebration of the 200th anniversary of the birth of George Washington in 1932. (Press, Mar. 3.)

GERMAN POTASH A Berlin dispatch to-day reports that the German Potash Syndicate announced yesterday that the production of pure potash in Germany last year amounted to 1,239,372 short tons, as compared with 1,099,873 in 1926.

TRANSOCEAN TELEPHONE RATES CUT Reduction of 40 per cent in the transatlantic telephone rate from points in the vicinity of Washington was announced yesterday by officials of the telephone companies. (Press, Mar. 3.)

Section 2

American Progress

Frederick Palmer answers the question "Which Way, America?", in World's Work for March, in part as follows: "Foreigners used to think that our wealth sprang from our great natural resources, but now they come to America to study our industrial organization and our methods of spurring consumption to keep up with production, which some of them think is a new thing in America. But it is not new. It began with the immigrant forefather. It is based on his call for more, to better himself and his family, which brought him overseas to a new land ....We need only the evidence of our eyes, without the continual telling by many who seem to have made it a discovery, that we live in an industrial and mechanical age in which America leads....The question of what we are going to do with it, and how keep adjustments in pace with quick and revolutionary changes, is usually passed over, as in the domain of philosophic inquiry, for the concrete question of 'How are we to keep up present prosperity?' From 1899 to 1925, our population increased by 55 per cent and agricultural production by 47 per cent; and 147 per cent increase in manufacturing production is one statistical measure of the rise of the standard of living in a quarter of a century....Business itself has become a profession--the greatest of professions, say its proponents--which has to do with material well-being--the basis of all progress. Its great masters are our men of power. Their aristocracy is certainly as worthy as is that founded on a robber baron marauding the lands of his neighbors and squeezing his own peasantry...."

Burley Tobacco Case

Reviewing editorially the recent decision of the United States Supreme Court on the Burley tobacco association's case, Ohio Stockman and Farmer for March 3 says: "...It is wholesome to know that our highest court regards a contract as an agreement to be kept, and that it upholds penalties against those who breach their contracts and against those who knowingly persuade members to breach contracts or aid them in doing so. The lesson for the member is to make no contracts that he can not or will not observe; and for the outsider to refrain from persuading or helping any one to violate his contract. A contract is made to be kept, and it should not be lightly signed or lightly breached."

Chain Store Bread

An editorial in Modern Miller for Feb. 25 says: "The chain stores are increasing their activities in bread production to an extent which can not be ignored. It has been pointed out at various bakers' meetings that quality bread is the answer to chain store competition, and that the American housewife buys on quality and not on price. Boston has had quite a siege of this. Chicago has had bread wars developed by chain stores to the point of giving bread away. Now we find Washington, D.C., in the throes of a bread propaganda by chain stores and it is cutting in on bread wagon salesmen of the bakers. Nineteen stores in the District of Columbia operated by Old Dutch Markets, Inc., were recently sold to the American Stores Co., Inc., of Philadelphia, The American Stores Co. have 2,400 stores in Pennsylvania, New Jersey, Delaware and Maryland. Having acquired the nineteen Old Dutch stores in Washington the new owners concentrated on advertising Victory Bread, a full pound loaf for 5c...The Old Dutch Markets had a modern bakery of 25,000 loaves daily. The Sanitary Grocery Co., operating approximately 350 stores in Washington and suburbs, now have their own modern bakery with a capacity of 25,000 loaves daily, and on

Feb. 1 put out their own bread at the same time handling bread of local bakers, but pushing their own product ahead of other breads. The A. & P. have 150 stores in Washington and vicinity and they have a big bakery in Baltimore. The selling of the full pound loaf, under a standard weight law at 5c, with quality advertised, creating a special competition product for other chain stores to shoot at, is something which the baker with wagon deliveries has to think of seriously. Here is a baker's problem which is not altogether answered by quality competition....Competition among chain stores themselves is grinding down prices. It is rumored that the A. & P. not to be outdone in Washington will ship bread from Baltimore to Washington. Does a situation like this need regulation, or must bread be the chosen product for competitive wars?"

Cooperative Contracts

An editorial in The Journal of Commerce for March 2 says: "The Secretary of Agriculture is said to be well content with a recent decision of the Supreme Court handed down in the 'Burley Tobacco Case.' He likes it, according to reports, because of the fact that it upholds Federal and State laws declaring that farmers' cooperative associations shall not be deemed monopolies or combinations in restraint of trade.....It is difficult to see how the Supreme Court of the United States could have taken a position that was, in any serious degree, different from the one which was taken by the decision now made public. It merely upholds the contractural relationship between an individual and his association....One of the great troubles with cooperation has been that it was so little able to induce its members to do what they had agreed to do. They have, therefore, wherever they saw a chance to turn a penny elsewhere, not hesitated to treat their contracts as 'scraps of paper' and to disregard them at pleasure. If cooperation is ever to amount to anything whatever, it must be made reliable and such reliability can be attained only in the degree that members are obliged to stick to their agreements just as they would in any other field. The issue at stake is not the monopoly character of cooperatives, but a much more elementary one--the fulfillment of contracts."

Dairy Industry

An editorial in Dairy Produce for Feb. 28 says: "A conference held in California recently considered means against this country becoming an exporting instead of a butter-importing Nation. Those at the conference were leaders in the dairy field, and they thought it urgent that we seek to build up a larger home consumptive demand, and seek out in the old world new markets for our output. We can't see that the point of saturation in the dairy industry in this country is near. We are increasing our output of dairy products only slightly--not more than enough to take care of our normal increase of demand. We are making no particular increase in number of dairy cows, but are getting some increase of output because we are milking better cows.... If present output and demand were alone to be considered, there would be no cause to worry, but all over this country there is expansion of the dairy industry. The South, particularly, is making rapid strides in dairying, and in our distinctively dairy districts, the industry is increasing. The fact that it is a branch of farming that furnishes cash to the farmer is its attraction, and we can expect for some years, it would seem, a rather remarkable growth of dairying. This is reason enough for the conference recently held and for the rather alarming tone of the warning issued. The appeal is to take this matter in hand

right away, though there is no immediate danger, and be prepared for anything that may happen. It takes time to educate the people in this country that they should be consuming more milk and the products of milk. The suggestion was made that we look for new sources of outlet in Oriental countries, and that will take time. We must study more economical ways of production; we must increase demand; we must find additional outlets for dairy products and at the same time we must broaden and increase the dairy industry...."

Irish Eggs and Poultry

The Irish Statesman for Feb. 18 says: "In Ireland, thanks to the enforcement of scientific methods of packing and grading by both Departments of Agriculture, we are doing very well out of eggs and poultry. But that it is possible to do still better is evident from the singularly well-balanced and detailed report on the subject which has just been issued by the Imperial Economic Committee. Though our stocks of poultry in the Saorstat made a record jump of four millions between 1925 and 1926, we still lag a long way behind Northern Ireland, where, according to the report, the number of poultry of all kinds per 100 acres of crops is 321, as against 176 for the Saorstat. In England and Wales, where stocks dropped heavily during the war, this loss has not only been made good, but, in addition, there is now a steady increase of some three millions annually. There is no reason why the Free State should not capture a much larger proportion of the English import trade in eggs than the 20 per cent which has so far represented its high-water mark...."

Sugar Situation

An editorial in Facts About Sugar for Feb. 25 says: "There seem to be a wide variation of opinion as to what is the matter with the sugar market but a very general agreement that something is the matter with it, reference being had particularly to the market in the United States....At a time when production is nearing its apex in the sections which supply most of the sugar used in the United States the ordinary outlet for that sugar, through sales to refiners, remains almost closed Instead of speeding up production in answer to current demand, or in preparation for the heavier trade requirements of the spring and early summer, refineries are closing down or operating far below capacity. Meltings during the first six weeks of the year have been 25,000 tons below those in the corresponding period of 1927 and 120,000 tons less than in 1926. Receipts likewise have been lower than in either of the two preceding years. Except for the timely advent of operators in the market, raw sugar would have been almost without purchasers....Various explanations have been advanced to account for this condition. Some members of the trade attribute it to the existence of unusually large supplies of beet sugar. It is true that the 1927-28 beet sugar crop of the United States, due to favorable growing and harvesting conditions, was about 150,000 tons larger than the crop immediately preceding, and that the supplies of this sugar remaining to be distributed after the first of the year exceeded the stock of January 1, 1927, by a somewhat larger figure. It is true also that in the Central West, and more recently in the territory between Chicago and Buffalo-Pittsburgh, beet sugar has been selling at more than the usual differential below cane refiners' quotations. But beet sugar does not supply the whole market territory and, moreover, there is no indication that it has been moving into trade channels in exceptionally large volume. Sellers of beet sugar, in fact, like sellers of cane, complain of dull business....

Critics of the crop restriction policy adopted by Cuba assert that the limitation of the crop in that island, the apportionment of the output among different countries, and recent sales to outside countries below the current market, have upset confidence. Inasmuch as the New York market promptly dropped below the basis set by the sales of the Cuban Export Corporation, buyers here can not assert that they are placed at a disadvantage with those of the other countries, while the limitation of the quantity of sugar that can be sent to the United States should logically tend to establish confidence instead of upsetting it."

Section 3

MARKET QUOTATIONS

Farm Products March 2. Livestock quotations at Chicago: Slaughter steers, good and choice, $13.50-$16.25; cows, good and choice, $8.25-$11.25; heifers, good and choice, $11.50-$13.25; vealers, good and choice, $12.50-$15; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.65-$8.20; light lights, medium to choice, $6.60-$8.40; slaughter pigs, medium, good and choice, $6-$7.25; slaughter lambs, good and choice, $15-$16.35; feeding lambs, medium to choice, $13.85-$15.60.

Maine sacked Green Mountain potatoes $2.65-$3.10 per 100 pounds in eastern cities; $2.25 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.10 carlot sales in Chicago; $1.80-$1.85 f.o.b. Waupaca. Florida pointed type cabbage $1.25-$1.65 per 1½ bushel hamper in the East. Texas round type $2-$2.75 per barrel in terminal markets; $1-$1.10 f.o.b. Lower Rio Grande Valley points. Midwestern sacked yellow onions $3.25-$3.75 per 100 pounds in consuming centers, top, $4-$4.05 in New York City. New York Baldwin apples $7.50-$8 per barrel in eastern cities; few sales $7.50 f.o.b. Rochester.

Average price of Middling spot cotton in 7 designated markets advanced 6 points to 18.40¢ per lb. On the same day last season the price stood at 13.86¢. March future contracts on the New York Cotton Exchange closed 6 points lower at 18.39¢, and on the New Orleans Cotton Exchange they declined 7 points to 18.18¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.62-$1.68. No.2 red winter, Chicago $1.59; Kansas City $1.50-$1.53. No.2 hard winter Kansas City $1.43-$1.48½. No.3 mixed corn, Chicago 94¢-94¼¢; Minneapolis 87¢-89¢; Kansas City 86¢-88¢. No. 3 yellow corn, Chicago 96½¢-97½¢; Minneapolis 91¢-93¢; Kansas City 88¢-91¢. No.3 white oats, Chicago 57¢-61¢; Minneapolis 54½¢-56½¢; Kansas City 59¢-60¢.

Closing price of 92 score butter at New York was 49¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¼¢-29½¢; Young Americas 29½¢-30¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 53 Section 1 March 5, 1928.

STOCK INDEX

A New Haven dispatch to-day reports that the weekly index number of stock exchange prices, compiled by Professor Irving Fisher and based on the week's fifty most active industrial stocks, reckoned on their average of 1926 as 100, is 255.2. This compares with 253.9 the week before, 269 two weeks before, 267.9 three weeks before and 267.9 four weeks before. The average of two weeks ago was the highest of the year to date; last week's average was the lowest. The average for the full month of February is 263, comparing with 260 for January, 245.3 for December, 216.9 for November and 131.4 for February, 1927. The highest monthly average in 1927 was 245.3 for December; the lowest was 125.1 for January.

WOMEN IN INDUSTRY

A Boston dispatch to the press of March 4 says: "Although 50 years ago there was only one woman secretary south of Rector Street in New York, there are now about 9,000,000 women and girls in industrial, commercial, mechanical and professional positions in the United States. Mrs. Mary Schenck Woolman, textile specialist for the General Federation of Women's Clubs, made this report before the department of superintendence of the National Educational Association at Boston. After first crowding the unskilled occupations, she added, women are now receiving vocational training authorized for the States by the Smith-Hughes bill of 1917 and are proving their ability in the most varied trades and professions."

EUROPEAN ECONOMIC GAINS

Central European countries made greater gains economically during the last twelve months than during any similar period since the war, says Basil Miles, American administrator at the Paris headquarters of the International Chamber of Commerce, in a report to the American section of that organization. A number of countries, Mr. Miles reports, have made surprising recoveries during the year, and the outlook is encouraging for continued progress for the next twelve months. "For Austria, in particular," he says, "1927 was the most favorable year since the war. Not only have the State finances continued to improve, but for the first time since the inflation period business has shown welcome signs of recovery from the depression of the last three years. During 1927, production both in agriculture and in practically every branch of industry has shown a substantial increase, while the export of manufactured articles has also risen. The increased prosperity of the country is also reflected in the constant accumulation of savings and in the steady appreciation of Austrian securities. Bulgaria, which is claimed, by one authority, to bear a greater war burden than perhaps any other country, has also benefitted to a certain extent from the improvement in conditions prevailing in Central Europe during 1927. Exports showed a substantial surplus over imports, and, although the tobacco crop was much smaller than the 1926 crop, the reduction was compensated by the quality and by the better prices realized."

Section 2

Apple Exports An editorial in Southern Ruralist for March 1 says: "According to reports from our officials in London, the Albemarle Pippin, grown in Virginia herself, is making its record in the British market. So, too, are a number of choice Virginia sorts. In telling about the arrival of recent shipments of York Imperials we have this: 'Crisp, bright, flashy, with lots of life and no decay, with barrels practically all tight, they attracted the attention of the trade, created confidence and gave the business zest--because the apple had life.' Moreover, 'highly colored York Imperials from Virginia continued selling at a marked premium over the ruling price, topping the market at $8.27 to $8.64 for U.S. No.1.' Pre-cooling is responsible for the very satisfactory condition of late arrivals on the British markets. The conclusion drawn there is that 'These apples unquestionably were moved out of the summer heat of the orchards promptly after picking and packing and were placed in cold storage plants without delay. Here the heat was removed from the apples and ripening processes were immediately checked. The fruit was pre-cooled. During the winter shipments the fruit had a cool ride to New York and across the Atlantic. It arrives in a very uniform and satisfactory condition.' And then this further conclusion is drawn: 'Fruit should arrive in this condition all during the autumn months.' There is a big market abroad for our apples and apparently we are beginning to get the answer as to how to take advantage of that market. Undoubtedly growers in the Appalachian Mountain apple country enjoy a decided advantage, and it is only left to them to use it to their own prosperity and to the upbuilding of the apple industry."

City and Farm Living Costs An editorial in The Dairy Record for Feb. 22 says: "A recent bulletin entitled 'Family Living on Successful Minnesota Farms,' by Messrs. John D. Black and Carle C. Zimmerman of the University of Minnesota, contains some interesting information regarding the incomes of some of the farmers of that State. A total of 694 farm families was studied, from which 65 were selected from 13 sections of the State as being the most successful 'because they make the largest incomes and, at the same time, live the best.'...On the basis of the comparison in city equivalents previously made by the authors, a city family would have to have an income of $3,573 annually to be as well off relatively as this group. Incidentally, it is of interest to note that a study of 488 Minnesota farm families showed that the average income was only about $140 less than the group which was living on the $3,500 scale in terms of city living. In view of the cries of distress which are being sent up by the so-called farm leaders of the country, it is only with extreme diffidence that we suggest that the condition of the average farmer may not be as bad, in comparison with that of the city man, as some of the noisy relief exponents would have us believe. Even if the authors of the bulletin, despite their insistence that they have been conservative in all their calculations, have shown the farmer's condition to be more favorable than it actually is, we do not believe that the correction of any errors which they may have made will discount the relatively satisfactory condition of the farmer compared with his city neighbor. The truth is that $3,500 salaries are relatively rare in the city and the great bulk of city families live on considerably less than that amount....Agriculture needs industry, and industry needs agriculture. The city man and the farmer have much in common.

What is needed is a better understanding of each other and a sympathetic desire to be of mutual aid. Taxing the consumer either in the form of prices which have been artificially increased, or in the form of direct Government levies to experiment with fanciful schemes is not only going to be of no service to farmers in a financial way, but is going to alienate the interest of the city man in the farmer...."

Danish Administrator on Food Values

"A diet with five times more potatoes, and oleomargarine instead of butter, would improve health standards and reduce the mortality rate in America, according to Dr. Mikkel Hindhete of Denmark, food administrator of his native country, speaking March 2 at Teachers College, Columbia University, New York. The potato is an unjustly abused vegetable in Doctor Hindhete's opinion, and the ban on it by reducing faddists is 'unscientific and silly.' Potatoes are 75 per cent water, and as a part of a balanced diet do not produce corpulency, he said. 'Potatoes have as many calories as meat, butter or eggs, and less of vitamin A,' continued Doctor Hindhete. 'Too much of vitamin A produces sluggishness and breaks down resistance to disease. Butter is rich in this vitamin and Americans would improve their health if they ate less butter, or used oleomargarine as a substitute. Margarine contains the same amount of calories as butter and less of vitamin A. Too much of this vitamin consumed by children causes tonsilitis, eczema, enlarged glands and aenemia.'" (N.Y.Times, Mar. 3.)

Davis on American Progress

James J. Davis, Secretary of Labor, answers the question "Which Way, America?" in The World's Work for March in part as follows: "In 1850, the average production per man in the pig iron industry was 25 tons, using the old hand methods. In 1904, improved methods had carried it to 470 tons; in 1909, to 671 tons; and to-day, it is 1,179 tons. Herein we have the principle of industrial progress, which is giving us more and more of the necessities and luxuries that make well-being. Fewer hands to produce a ton of pig iron releases more hands to make the pig iron into automobiles, or radios, or other articles, increasing the sum and variety of production. It spares more people to become teachers, to build schools or roads. Machinery saves labor in the production of food, and thus more labor goes into industry, increasing our industrial and urban populations--and also the complexity of our problems. Thus, increased production and the expansion of consumption are dependent upon the increase of wants, which makes economic incentive. The nature of these wants determines the character of civilization, and its development. The less the effort required to produce the necessities of life, the more leisure we have for education, reading, study, exercise, and hygienic welfare, as well as to take our part as good citizens. Education, too, is necessary to high economic production. It brings up the level of intelligence, assures capacity for continuous employment, increased thrift and appreciation of the value of the better things of life....The big question of the future is how each man and woman shall use the increasing benefits of increased production...."

Nebraska Agriculture

In a recent statement, Attorney General (of Nebraska) Spillman said, "Agriculture is Nebraska's basic industry. I am not unmindful of its needs. One major need is a better marketing system. I believe that farmers should market their products through their own cooperatives. Great strides have been made in this direction. The next step is to

secure the maximum of Government aid in organizing and financing these cooperatives so that the farmer may have as cheap money as any one else and enough of it to enable handling surpluses most economically. It is a notable fact that the Canadian wheat pool has 142,000 farmer members and handles over 50% of the crop, thus virtually placing the control of prices in their hands within the limit of natural laws. We can do the same here if we but go about it, and the Government should help. "I have favored the equalization fee, but, in the absence of being able to get that, I would exert every energy in trying to get something. After all, cooperation is the important thing and the equalization fee can come later if there seems to be a demand and need for it." (Nebraska Farmer, Feb. 25.)

Sapiro on Burley Tobacco Case

Aaron Sapiro, of New York, one of the attorneys for the Burley Tobacco Growers' Cooperative Marketing Association, who has been actively associated with the cooperative marketing movement for a number of years, said in an interview with a Printer's Ink representative: "The action of the Supreme Court of the United States, as embodied in the opinion just handed down, establishes the constitutionality of the cooperative marketing of agricultural products, as authorized by the existing laws of the United States and by the statutes of three-fourths of the States, and definitely settles the question that the State has the power to safeguard cooperative contracts which thereby makes the system practical and effective. The success of the cooperative marketing movement would not be possible except for a firm legal foundation in the law. If warehouses, redrying and packing plants are to be built, there must be a certainty of paying for and maintaining them. If community cooperatives are to advertise and sell, often in advance of delivery, they must be sure that farmers will deliver their crops. Thus the necessity for a binding contract develops and it is important to have a standard form of cooperative marketing law and a standard form of cooperative marketing contract containing the essentials without which these voluntary cooperative associations, organized without capital and operated without profit, could not hold together and successfully market the products of their members." (Printers' Ink, Mar. 1.)

Section 3

Department of Agriculture

An editorial in Pennsylvania Farmer for March 3 says: "Under the title, 'The Secret of Farm Prosperity,' the Magazine of Wall Street publishes in the current issue an interview with Secretary of Agriculture William M. Jardine. No doubt many farmers will agree that the title is well chosen. But the facts and suggestions presented by Secretary Jardine are so vital that we are extremely glad to have them appear in that particular magazine, because the article will reach a class of men who are in need of enlightenment along this line. The Secretary points out the necessity for farm prosperity if the Nation as a whole is to become and remain prosperous. He refers to the successful development of industrial production, sales and distribution, and says that future farm prosperity depends upon a like sales organization among farmers; that they must reach a point where they can, through organizations, bargain and trade as definitely as do other industries. Mr. Jardine does not believe in bringing big business into agriculture, but in bringing agriculture into big business. In other words, the concentration of farm lands into big operations and the consequent elimination of the small farmer is not desirable, but the

uniting of the small farmers into big business organizations is desirable and holds the solution of farm prosperity." (An excerpt from the interview referred to was published in Daily Digest for Feb. 28.)

Section 4
MARKET QUOTATIONS

Farm Products Mar. 3. Chicago livestock quotations: Heavy weight hogs, $7.65 to $8.20; lights, medium to choice, $6.60 to $8.40; slaughter pigs, medium, good and choice, (soft or oily hogs and roasting pigs excluded from above quotations), $6 to $7.25.

Potato markets easier. Maine sacked Green Mountains sold at $2.60 to $3.10 per 100 pounds in eastern cities; $2.15 to $2.30 f.o.b. Presque Isle. Apples firm. Eastern Yorks ranged $6.75 to $7.50 per barrel in eastern cities; New York Baldwins mostly $7.50 to $8. Michigan Baldwins $8 to $8.50 in Chicago. Onion prices continued to advance. Midwestern sacked yellow varieties closed at $3.25 to $4 per 100 pounds in consuming centers; mostly around $3.75 f.o.b. western Michigan. Florida pointed type cabbage about steady at $1.50 to $2 per 1½ bushel hamper in the East. Texas round type $1.75 to $2.75 per barrel crate in terminal markets; $1.10 f.o.b. Lower Rio Grande Valley points.

Grain prices quoted: No.2 red winter Chicago $1.59½; Kansas City $1.50 to $1.53; No.2 hard winter 12½% protein Kansas City $1.43½ to $1.49. No.2 hard winter--not on protein basis Chicago $1.40; Kansas City $1.30 to $1.32. No.3 mixed corn Chicago 93½ to 94¢; Kansas City 86½ to 88¢; No.3 yellow corn Chicago 96½ to 97¢; Kansas City 88 to 90½¢; No.3 white oats Chicago 57 to 61¼¢; Kansas City 59 to 60¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 49¢; 91 score, 48½¢; 90 score, 48¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23 to 24¢; Single Daisies, 25 to 26¢. Held Cheese Flats, 29 to 29½¢; Single Daisies, 29¼¢ to 29½¢; Young Americas, 29½¢ to 30¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 54 Section 1 March 6, 1928.

STOCKYARDS BILL The press to-day reports that hearings on the Capper bill to extend the stockyards control act were concluded yesterday by the Senate committee on agriculture.

COTTON COMBINE REPORTED The Associated Press to-day reports:"A combination of two cotton brokerage firms was pictured yesterday before a House judiciary subcommittee by Arthur R. Marsh, former president of the New York Cotton Exchange, as attempting to control the cotton markets of the country. The two firms Marsh named were Anderson, Clayton & Co., of Houston, Tex., and George H. McFadden & Bros., of Philadelphia. He alleged that they concentrated on the New York Exchange a reserve supply of what he said was inferior cotton, ranging from 185,000 to 200,000 bales, and then sold it to traders who, when unable to sell it to spinners, had to place their other holdings on the market. This acted to depress prices on all markets of the country, he charged, adding that the two concerns were able to 'control the market during the depression.' Marsh, together with Jacob M. Gilbert, a New York attorney and son-in-law of Justice Brandeis, of the Supreme Court, urged approval by the subcommittee of the Rankin bill, which would make market manipulations a violation of the Sherman antitrust law."

UNEMPLOYMENT SURVEY ORDERED By the direction of the Senate, yesterday, Secretary Davis of the Labor Department is to investigate and report on unemployment throughout the country. The survey will apply also to part-time employment, and will be made with a view to finding a method by which frequent periodic reports of both situations might be made available. The result in each instance will be reported to the Senate, under the resolution of Senator Wagner of New York. (Press, Mar. 6.)

HOOVER URGES HOMES Secretary Hoover presided at Washington yesterday over the annual meeting of the directors of "Better Homes in America." Secretary Hoover stressed particularly the importance of devoting attention to home building at this time. "The volume of savings in the Nation as a whole is enormous at this time," he said. "I know of no better purpose to which these savings can be put than in home building. The expansion of home ownership not alone adds to the permanent material wealth of the country, but likewise is an immensely important factor in the happiness and stability of our people." Secretary Hoover was elected president of the organization and Mrs. William B. Maloney of New York vice president. (Press, Mar. 6.)

FEDERAL RESERVE MEMBERSHIP Senator Pine of Oklahoma yesterday introduced a bill to increase the membership of the Federal Reserve Board from eight to fourteen, according to the press to-day.

Section 2

Canned Goods in Foreign Trade

An editorial in The Wall St. Journal for March 5 says: "Tin cans play an important part in our foreign trade as well as in stock exchange business. In the six months ending with December last, the exports of canned goods and dried fruits amounted to $51,400,000, or above $100,000,000 a year. The report of the Department of Commerce shows that the goods include, meat, milk, fruit and vegetables. Dried fruits are included in the total also. Naturally, meat does not bulk large as most of it goes out either as refrigerated or else pickled and cured. Fruits and vegetables make up the greater part of the total. Notwithstanding the fact that our exports of fresh fruit are growing larger, the trade in canned and dried fruits is growing more and more important. The greater part of these exports are of soft fruits, peaches, apricots and others that would not stand shipment like apples and oranges. Among the dried fruits, prunes and raisins are in the lead. It is worthy of note that with the exception of dates and figs, the United States is the world's greatest producer of dried fruits. It produces 90 per cent of the world output of dried peaches, apricots and apples, 70 per cent of the prunes and 50 per cent of the raisins. As 90 per cent of this output comes from California the figures reveal another industrial opportunity for Florida. That State with all its opportunities for raising fruit and vegetables, holds practically none of the tin can and dried fruit trade in the international market. And yet the demand from foreign countries is rapidly increasing. In the five-year period preceding the war the exports of dried fruits from the United States averaged 200,000,000 pounds a year. In the second half of 1927 they were 339,577,000 pounds. Here is an expansion that should attract all those who are so situated as to produce those commodities. This is a hungry world, and the tin can and evaporator open up great possibilities for producers to satisfy that hunger and profit thereby."

College Education and Business

An editorial in Nation's Business for March says: "College enrollments go up by leaps and bounds....Dean Walters of Swarthmore has been compiling some figures. In the last five years, full-time enrollment in 211 institutions on the approved list of the Association of American Universities increased 25 per cent, jumping from 328,000 to 410,000. In short, out of our population one in 300 is in an accredited university--and there are some hundreds of other colleges outside that list. And what becomes of that great group of students when they start job hunting. Some statistics recently compiled at Williams give an idea. From the classes from 1852 to 1920 there were 2,667 living graduates of whom 58 per cent were in professions and 42 per cent in business. But since 1905 the figures have been shifting. Of the living graduates from 1852 to 1905 there were 401 who had gone into business. From 1905 to 1920 there were 727. The earlier period showed 921 men in the professions and the later period 618 with a turn away from ministry and law to engineering. And still the 435 members of the House of Representatives include 328 lawyers, about 77 per cent. And this 77, according to one authority, make more than 90 per cent of the speeches."

Economical Production

An editorial in The Wall St. Journal for March 3 says: "Mechanical cotton picking, says the Department of Agriculture, is now a practical operation. Thus, according to the statement of the department, cotton farmers, or at least those in the extreme Southwest, are to be added to the list of producers who find the way to make more profits not by raising prices, but by lowering cost of production. One trouble with agriculture to-day is that it is far behind industry in working on the theory that profit is the difference between the sale price and the production cost, and that a lowering of the latter is equal to an increase in the former. As an abstract fact, all farmers know this, but most of them ignore it in actual practice. Wheat farmers of the hard winter wheat section are an example of the exception to this rule. The use of the combine, whereby wheat can be harvested and threshed for about 5 cents a bushel where formerly it cost 30, has changed the whole picture for those producers of wheat. They are showing their appreciation of it by rapid increase of the use of a labor-saving invention. As harvesting and threshing are the principal items of expense for the wheat farmers, so picking is one of the largest expenses of cotton production. When a mechanical device is perfected for picking, then costs will be greatly reduced. Whether this can be established for all sections of the Cotton Belt is a question not yet determined, but in areas like northwest Texas there is no longer doubt about it. But the matter of lowering costs of production by the cotton farmer should not end with the picker. If a farmer in any part of the Cotton Belt studied his methods of production as carefully as a manufacturer does, he would find that he is carrying water uphill in a leaky pail. With the large majority the pail is full of leaks, and large ones at that. Intelligent effort is being made in the South to locate those leaks and point them out to the farmer. But the leaky pails persist, and before they reach the top of the hill are empty. Whether a man is making shoes or cotton, his prospect of profit is not through raising prices, but in lowering costs of production."

Florida

M.S.Rukeyser is the author of an article entitled "Is Florida Coming Back?" in World's Work for March. He says in part: "Florida's future lies in three directions: in agriculture, in tourist and winter-home trade, and in industry. Agriculture is the most important of the three for the State as a whole, although resorts in southern Florida lay great stress on the tourist trade, which is a cash crop, free from the hazards of ordinary plantings. Industry must rest primarily on meeting local needs, particularly of the agricultural back country, and must be conceived in the light of Florida's special opportunities and handicaps in the matter of sources of raw materials, skilled labor, railroad and water freight rates. The real Florida has been steadily moving forward in basic production. Only the speculative Florida has flopped. Lyman Delano, executive vice-president of the Atlantic Coast Line, pointed this out to me: 'Florida's prosperity depends primarily upon its production of citrus fruit and vegetables. Therefore, a comparison of the actual movement of these commodities from Florida via all rail transportation lines immediately prior, and subsequent, to the speculative period is indicative of whether or not this industry has been retarded....There has been during the last two years a quickening of interest both in agricultural and in manufacturing lines. Many experiments are being made, and of particular interest is the erection of

a large sugar mill at Clewiston, in the Everglades section, and the establishment at various points of grapefruit canning plants, which industry, beginning in a small way, has during the last few years developed until now there are seventeen plants operating in the State!..."

Gifford on American Progress

Walter S. Gifford, head of the American Telephone and Telegraph Company, answering the question "Which Way, America?" in The World's Work for March, says: "...History records civilizations that have risen and fallen by the conquest of one people by another. To-day, in America, we are engaged in building up a civilization by conquering nature, not our fellowman. We are fighting a battle between science and organization on the one hand, and the unknown forces of nature on the other. The opportunities for conquest are unlimited, and success is shared by every one. Great progress has already been made in the production of the material comforts of life with a decreasing amount of labor; but even now, in spite of what has already been achieved, it is safe to say that we have only begun to win the battle with nature. It is true that the spoils of victory are largely material, but they are not being won out of the exploitation of human beings. On the contrary, these spoils of victory will be available for exploitation by human beings for their own expansion. Literature, science, philosophy, and the high art of living are supported by the margin above the necessities of life. This margin is growing; leisure and the opportunity for the development of the individual are steadily increasing...."

North Dakota Conferences

An editorial in The Farmer (St. Paul) for Feb. 25 says: "A very encouraging sign of the times comes from North Dakota where farmers have recently been joining with members of the extension division of the North Dakota Agricultural College in making definite plans for the future development of agriculture in that State. Economic conferences have been held, representing the entire State, and surveys have been made of existing farming conditions. Definite plans have been made for the re-direction of farming methods and practices. The North Dakota Economic Conferences are somewhat different from any type of farmers' meeting we have thus far attended. They differ from the old style Farmers' Institute or extension meeting in that the leading farmers of the communities visited join with the farm specialists of the college in making a complete survey of farming conditions. The various commodities raised in the respective localities are taken up one by one and a complete study is made of acreage and markets in order that the different sections can be advised as to the wisest procedure for farmers to follow. These conferences are noteworthy in that they bring to a focus the best thought of the farm specialists and the best thought of the leading farmers. The conclusions reached should be of untold value to all who will take advantage of them...."

Wool Market

The Commercial Bulletin (Boston) for March 2 says: "The market for wool is rather quiet and trading occurs in spots, where a dealer has wools suited to a mill's particular needs. Prices keep very firm on all descriptions. The goods market appears to be developing slowly, but there evidently is a fair initial business being done, while consumption of wool at the mills goes on rather steadily. The foreign primary markets are exceedingly firm, with good demand from all quarters, while the secondary markets of Europe are in excellent condition. Western contracting is on a limited scale but at fully recent prices."

Section 3
MARKET QUOTATIONS

Farm Products March 5. Livestock quotations: Steers, good and choice, $13.25 to $16.50; cows, good and choice, $8.25 to $11.25; heifers, good and choice, $11.50 to $13.25; vealers, good and choice, $12.50 to $14.75; feeder and stocker cattle, steers, good and choice, $10.75 to $12.50; hogs, heavy weight, medium, good and choice, $7.60 to $8.10; lights, medium to choice, $6.50 to $8.30; slaughter pigs, medium, good and choice, $6 to $7.25 (soft or oily hogs and roasting pigs excluded from above question); slaughter sheep and lambs; lambs, good and choice, $15 to $16.50; feeding lambs (range stock) medium to choice, $13.85 to $15.50.

Grain prices quoted: No.2 red winter Chicago, $1.61¼; Kansas City, $1.52 to $1.57. No.2 hard winter 12½% protein, Kansas City, $1.46 to $1.53. No.2 hard winter (not on protein basis) Chicago, $1.41; Kansas City $1.31½ to $1.33½. No.3 mixed corn Chicago 91 to 94¼¢; Minneapolis 87 to 89¢; Kansas City 85 to 88¢. No.3 yellow corn Chicago, 95¼¢ to 97¢; Minneapolis 91¢ to 93¢; Kansas City 87 to 89½¢. No.3 white oats Chicago 57 to 61¢; Minneapolis 55¼ to 56¾¢; Kansas City 57 to 60¢.

Maine sacked Green Mountain potatoes sold at $2.60-$3 per 100 pounds in eastern cities; mostly $2.25-$2.30 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.20 carlot sales in Chicago; mostly $1.90 f.o.b. Waupaca. Midwestern sacked yellow onions ranged $3.75-$4.75 per 100 pounds in consuming centers; $4 f.o.b. West Michigan points. Florida pointed type cabbage $1.25-$1.75 per 1½-bushel hamper. Texas domestic type $2-$3 per barrel crate in terminal markets. Eastern York Imperial apples sold at $7-$8 per barrel in city markets; New York Baldwins $7-$8.50. Michigan Baldwins $8-$8.50 in Chicago.

March future contracts on the New York Cotton Exchange advanced 22 points to 18.44¢, and on the New Orleans Cotton Exchange they were up 19 points at 18.27¢. March futures on the Chicago Board of Trade advanced 19 points to 18.29¢. The average price of Middling spot cotton in 10 designated markets advanced 16 points to 18.30¢ per lb. On the corresponding day last year the price stood at 13.38¢.

Wholesale prices of fresh creamery butter at New York; 92 score, 50¢; 91 score, 49½¢; 90 score, 48½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 23 to 24¢, Single Daisies, 25 to 26¢. Held Cheese: Flats, 29 to 29½¢; Single Daisies, 29¼-29½¢; Young Americas, 29½ to 30¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 55 Section 1 March 7, 1928.

MT.VERNON HIGHWAY BILL

The Swanson-Moore bill authorizing construction of a memorial highway to connect Mount Vernon and the Arlington Memorial Bridge was passed by the Senate yesterday. The House has not yet taken action on the measure. The bill authorizes an expenditure of $4,500,000 on the memorial highway, to be appropriated as follows: $500,000 for the current fiscal year; $2,000,000 for the fiscal year of 1929; $1,000,000 for 1930 and $1,000,000 for 1931. (Press, Mar. 7.)

SENATE COMMITTEE DEFEATS ESCH CONFIRMATION

By a vote of 10 to 7, the Senate Interstate Commerce committee refused yesterday to approve the nomination of John J. Esch of Wisconsin for reappointment to the Interstate Commerce Commission, according to the press to-day.

NEW COTTON EXCHANGE RULE

A proposal that the committee on business conduct of the New York Cotton Exchange be empowered to examine the books and employees of members was returned to the board of managers for reconsideration yesterday by members who had assembled to vote on it. The amendment to the exchange's by-laws, which would provide a rule long in force on the New York Stock Exchange, was proposed and defeated in 1926. By the terms of the Vincent bill, the Cotton Exchange would be compelled to adopt such an amendment. (N.Y.Times, Mar. 7.)

THE PRESIDENT AND TAX CUT

The Associated Press to-day says: "Barring unexpected eventualities, both President Coolidge and high Treasury officials believe there will be a moderate tax reduction at this session of Congress....Both the White House and the Treasury, however, are awaiting the result of the March 15 tax payments, which will represent the first installment of taxes on 1927 incomes and from which accurate calculations can be made of the total tax receipts for the fiscal year 1929...."

SECRETARY DAVIS ON LABOR

The Associated Press to-day reports: "Figures from an unemployment survey, undertaken recently by the Labor Department, are now nearly completed, Secretary Davis said yesterday, and show an improvement in the country's business conditions, although it has been necessary to recheck some of the totals before making them public. The Labor Department will issue its report as soon as the details are completed and not await the demand made upon it Monday by a Senate resolution for an estimate of employment conditions. 'In general, it can be said that there is an upward trend to employment,' Mr. Davis said..'Along with these betterments in the general situation is the indirect acceleration brought about to industry because of anticipated demand for commodities by the newly employed sections of the population.'" (Press, Mar. 7.)

Section 2

Corn Borer In Europe

Tage U. H. Ellinger, Sc.D., writing on the corn borer in The New Breeder's Gazette for March, says in part: "...The American farmers generally do not appreciate the extent of corn growing in Europe; the losses suffered there due to the destructions of the corn borer; nor the desire on the part of European scientists and officials to work with us for the purpose of eliminating the pest....In organizing the International Corn Borer Investigations, a complete program has been mapped out. Since Prof. C.O.Reed of Ohio has obtained such excellent results in the development of new farm machinery for combating the borer, this line of work has been omitted. There are ten European corn borer laboratories, cooperating with the International Livestock Exposition of Chicago. These are: Pasteur Institute, Paris, France; Southeastern Entomological Station, near Lyons, France; Federal Biological Institute, Berlin, Germany; Forestry College, Tharandt, Germany; Royal Veterinary College, Budapest, Hungary; University of Zagreb, Jogoslavia; University of Bucharest, Roumania; University of Lund, Sweden; University of Copenhagen, Denmark, and Royal Veterinary and Agricultural College, Denmark. The Berlin institution maintains a corn borer field station at Rastatt, Germany; the Pasteur Institute has one in the province of Vendee....The fact that scientists of eight nations are cooperating in this work is in itself of no little significance. It is the first time in the history of agricultural research that such outstanding investigators of many nations have joined hands for the purpose of solving a problem of world-wide importance. The European laboratories, which are now supplementing the work done in this country, have been in operation since last summer. Their research programs are well organized....We hope and expect, in a not too distant future, to be able to obtain conclusive results which, together with the information obtained in this country, will form the basis for effective corn borer eradication. We invite the corn growers of America to follow the work closely, to become personally acquainted with the men who work in the interest of the world's corn industry, and to see how they attack the problems and what results they obtain. A broad understanding of all phases of the corn borer problem by every Corn Belt man and woman is a necessity for the formation of a solid front of American farmers, who are determined to refuse to live with the corn borer as long as there is a chance in the world to beat him...."

Electricity for the Farm

The Bureau Farmer for March says: "In the past three years the number of farms receiving central station electric service in 27 States has increased 86 per cent. In these States it is estimated that there are at the present time between 300,000 and 350,000 farms receiving this service and it is probable that a number nearly as great have their own individual lighting plants. On August 1, 1923, following negotiations which had been going on for over a year between the American Farm Bureau Federation and the National Eledtric Light Association, there was formed the committee on the relation of electricity to agriculture. The function of this cooperative committee was to give purpose and direction to a national movement looking toward the solution of the problem of getting electric light and power service to the farms of the United States. The purpose of this committee was to find out how electricity could be properly used by farmers. It was to prevent improper exploitation. This committee has now actively functioned for approximately four years. Under its direction there have been set up 24 State committees and, under the direction of these

24 State committees, trial lines and experimental work have been carefully conducted. So far the work of the national committee and of the affiliated State committees has had to do with investigation and experiment....However, the work of these committees has so stimulated rural electrification that the astonishing increase reported in the first paragraph on this page has resulted. And now the national committee is turning its attention to the job of making public the results of its exhaustive experimental work...."

Filipino Sugar — Manila correspondence to The New York Times of March 6 says: "Efforts to institute legislation in Washington restricting Philippine sugar permitted to enter America duty free is arousing a bitter opposition at Manila with which Governor General Stimson is inclined to be thoroughly sympathetic. He is having an opportunity this week to hear Filipino sugar interests give their side of this question vital to them. In the meantime it is understood that the new Chief Executive has already cabled to Washington seeking to prevent passage by Congress of the bill reported. Governor Stimson's policy is to invigorate Philippine agriculture as a first step toward an eventual industrialization of the islands, and he throws his weight on the side of the Filipino sugar interests...."

Forest Research — An editorial in Chicago Journal of Commerce for March 5 says: "Under the McSweeney bill, now pending in the house, the sum of $1,000,000 would be provided each year during a three-year period for extensive forest research work. Forestry research stations would be established. Particular attention would be paid to game and grazing problems. The money provided by this bill would simultaneously promote reforestation and the preservation of wild life. The McSweeney bill is a constructive measure for conservation. It has been introduced at the instance of organizations interested in the preservation of our outdoor life and our timber resources. It is one of the measures that should not be lost sight of in the crush of legislation during the remainder of this session of Congress."

Japanese Demand for Wheat — An editorial in The Oregon Farmer for March 1 says: "Quality counts the world over. A taste of a quality product begets a quality demand. One is reminded of this by the news item that until a few years ago the Japanese mills bought only the cheapest grade of red wheat here, but consumers over there require a better grade of flour now. Hence/arises the growing Japanese demand for white wheat from Oregon and Washington to be used by Japanese mills to mix with Canadian wheat."

Nagel on Farm Aid — Charles Nagel, chairman of the Business Men's Commission on Agriculture, writing in The New Breeder's Gazette for March, says: "... Our Commission in its report says that in its judgment the agricultural situation can not be judged without considering the protective policy of our country. There is no suggestion that a sudden or radical change be made, but it is submitted that the demand for an equivalent on the part of the farmer is almost inevitable. Indeed, the farmer is in a position to say that while he has enjoyed the reflected advantage of protected industry, it would not be unnatural for him to hope to get into a position where he might extend some reflected advantage to industry. He is looking for a mutuality of interest. The great question is how to secure it. The suggestion has of course been made that

the farmer should be more amply protected against the introduction of competitive articles, by excluding the things which he produces, and perhaps by putting on the free list the articles which he uses. I can not believe that that is a sufficient answer. What the farmer needs is a market for his product; and if his own country does not absorb those products, what is to be done?...Tentatively, our Commission has suggested the possibility of a private organization sufficiently capitalized, with a minority participation on the part of the Government--enough to guarantee its interest and to provide for such inspection and control as is common in financial institutions--with a purpose to take up disturbing surplus and to hold it for a more advantageous market. In other words, to carry it from one year to another, always with the possibility--perhaps probability--of coming out without loss; with the chance for an actual loss, but with the assurance that in the meantime the farmer has been saved from the peril of special conditions and that, broadly speaking, the entire population has been correspondingly protected...."

Northwest Conditions

O. M. Corwin, vice president, Wells-Dickey Company, writes to The Commercial and Financial Chronicle for March 3 as follows: "The most hopeful thing about farm conditions in the Northwest is better farming and greater diversification. Diversification in North Dakota has made wonderful progress. Each year the farmers are depending less on wheat and more on forage crops, which means more livestock. Montana is doing comparatively little in the way of diversification except in its increased acreage in corn and forage crops, such as alfalfa and sweet clover. We do not look for the same diversification progress in the immediate future for Montana as North Dakota. Land values in Montana are still too low to warrant a general diversification program. ...Too much credit can not be given to the agricultural colleges of all the Northwestern States and to their intelligent and efficient staff of county agents. The cooperation of the agricultural departments of the States and the county agents has resulted in great good through the better farming propaganda and actual field work....There has been great improvement in the agricultural credit situation continuously accruing during the past three years...."

Steel Tariff and Farm Equipment

An editorial in Farm Implement News (Chicago) for March 1 says: "Elsewhere in this issue there is a statement relating to the effect of the steel tariff on prices of farm implements. It was prepared by the research department of the National Association of Farm Equipment Manufacturers by way of reply to some exaggerated statements that were made at a convention of farmers and printed in some of the farm papers. The research department says 'the steel tariff can not have any great effect on implement prices, and whether it has any effect at all is a matter of theory.' The answer to the question lies in the facts as to the effect of the steel tariff on steel prices. If steel prices are no higher under a tariff than they would be if steel were on the free list, then it is obvious that prices of manufactured articles consisting in part or in whole of steel are not affected by the steel tariff. But if steel prices are higher under a tariff than they would be if there was no duty on steel, or a lower duty, it is equally clear that prices of the articles mentioned are affected by the steel tariff...It has been shown by reliable authority that only 4 per cent of the country's steel production is used in the manufacture of farm equipment,

and of course it is inconceivable that the farmers consume other products in which 46 per cent of the steel is used....The truth about the effect of the steel tariff on implement prices would be interesting information....."

Section 3
MARKET QUOTATIONS

Farm Products March 6. Grain prices quoted: No.1 dark northern spring (13% protein) Minneapolis $1.60 to $1.66¼; No.2 red winter Chicago $1.62; Kansas City $1.52 to $1.57. No.2 hard winter (not on protein basis) $1.40½ Chicago; Kansas City $1.31½ to $1.33½. No.3 mixed corn Chicago 92 to 96½¢; Minneapolis 87 to 89¢; Kansas City 85 to 89¢. No.3 yellow corn Chicago 96 to 98½¢; Minneapolis 91 to 93¢; Kansas City 88 to 91½¢. No.3 white oats Chicago 57¼ to 57½¢; Minneapolis 55 to 56½¢; Kansas City 59 to 60¢.

Livestock prices: Slaughter cattle, calves and vealers: Steers, good and choice, $13.25 to $16.25; cows, good and choice $8.25 to $11.25; heifers, good and choice, $11.50 to $13.25; vealers, good and choice, $12.50 to $15; feeder and stocker cattle steers, good and choice, $10.75 to $12.50; heavy weight hogs, medium, good and choice, $7.75 to $8.25; lights, medium to choice, $6.60 to $8.40; slaughter pigs, medium, good and choice, (soft or oily hogs and roasting pigs excluded from above quotations) $6.10 to $7.35; Slaughter sheep and lambs: Lambs, good and choice, $15.25 to $16.50; feeding lambs, medium to choice, $13.85 to $15.50.

Maine sacked Green Mountain potatoes sold at $2.65-$3 per 100 pounds in eastern cities; mostly around $2.40 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.20-$2.35 carlot sales in Chicago; mostly $2-$2.05 f.o.b. Waupaca. New York Baldwin apples sold at $7-$8.50 per barrel in eastern cities; eastern Yorks $7-$8. Michigan Baldwins $8-$8.50 in Chicago. Midwestern sacked yellow onions ranged mostly $4.25-$4.50 in consuming centers; few sales at $4.25 f.o.b. Western Michigan points. Texas round type cabbage brought $2-$3 per barrel crate in terminal markets; mostly $1.10 f.o.b. Lower Rio Grande Valley points. Florida pointed type $1.25-$1.75 per 1½-bushel hamper in the East.

March future contracts on the New York Cotton Exchange declined 5 points to 18.39¢, and on the New Orleans Cotton Exchange they were down 2 points at 18.25¢. March futures on the Chicago Board of Trade advanced 1 point to 18.30¢. The average price of Middling spot cotton in 10 designated markets was unchanged at 18.30¢ per lb. On the same day one year ago the price stood at 13.88¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 51¢; 91 score, 50½¢; 90 score, 49½¢.

Wholesale prices of fresh No.1 American cheese at New York were: Flats, 23 to 24¢, Single Daisies, 25 to 26¢. Held Cheese: Flats, 29 to 29½¢; Single Daisies, 29¼-29½¢; Young Americas, 29½ to 30¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 56 Section 1 March 8, 1928.

CENTER MARKET BILL

The press to-day states that the Senate public buildings and grounds committee yesterday made a favorable report on a joint resolution directing the Secretary of Agriculture to announce that the Government would cease to maintain the present Center Market after January 1 next.

GREAT FALLS BRIDGE BILL

The Moore bill authorizing private interests to build a $1,000,000 toll bridge across the Potomac River just below Great Falls was passed by the House yesterday and sent to the Senate, according to the press to-day.

CUBAN PARCEL POST

The press to-day says: "Parcel post intercourse between Cuba and the United States has been entirely lost to manufacturers and traders throughout the United States, involving losses of several millions a year directly, and indirectly of far greater value, according to the National Foreign Trade Council, because the tobacco industry of this country opposes legislation to permit Cuba to send tobacco products here by mail. The indirect loss is much more important than the direct loss, the council said, because the parcel post is a general salesman of proved worth. Business concerns in three-fourths of the States were using this parcel post service, and the products of more than 250 lines of industry were being sent by mail to Cuba...."

INDUSTRIAL AFFILIATION DISCUSSED

The New York Times of March 7 reports: "An industrial affiliation with gross assets of about $600,000,000, which would embrace six corporations prominent in the equipment and steel industries has been discussed by Arthur W. Cutten of Chicago and the Fisher brothers of Detroit, all of whom have made repeatedly successful stock market forays in the last year, and as a result find themselves possessing large interests in the six concerns. Plans are yet in an embryonic state. They may never be fulfilled, but at any rate the report of the huge combination was one of the principal topics of discussion in Wall Street yesterday. According to these reports, none of which is verified, the corporations involved will be the Baldwin Locomotive Company, the Westinghouse Electric and Manufacturing Company, the Westinghouse Air Brake, American Steel Foundries, American Rolling Mills and Standard Steel Car Companies. There is no idea of putting them together in a merger. Rather it has merely been suggested by some of the large stockholders to other large stockholders that a holding company might be formed to hold shares of each of these companies through an advantageous exchange of stock, and that a close community of interest might thus be set up...."

Section 2

Agriculture and Industry

An editorial in The Wall St. Journal for March 7 says: "It is true that the number of people leaving the farms is greater than of those going back to the land. The net movement from the farms in 1927 was one-fifth of one per cent of the farm population. Notwithstanding this the farms show little evidence of depletion of population. On January 1, 1927, the farm population was 27,892,000 and in 1928 it was 27,699,000. As the farmers are demanding Federal relief for surplus production it would seem that the movement from the farms is all too small. From a purely money-making point of view, there are too many people on the farms to-day. Labor saving machinery is increasing the production per man, so that fewer farmers are required to feed and clothe a given number of people than formerly. Agricultural experiments have demonstrated that it is possible to raise more than an average of 30 bushels of wheat to the acre, where now our farmers average 13.9. The yield of corn can be increased 25 per cent by seed selection alone. Other crops can be made to yield more. We must, therefore, expect that in the near future more people will leave the farm, and industry will be called upon to absorb them. It is not true that the Government has discriminated against agriculture. Is there a country on earth with a Department of Agriculture comparable to ours? What has it been worth to the farmers, and what has it cost the Federal Treasury? How much has gone to the 48 experiment stations in the past year? What do good roads mean to the farmers? There are 55,000 miles of them now, and between July, 1916 and the end of 1926 the Government paid $671,000,000 towards their construction. Did the farmers get no share of the benefit? What would agriculture do without industry? In the earlier days of our history when there was practically no industry was agriculture particularly prosperous? A population of 90,000,000 furnishes a market for the surplus of the 27,700,000 farm population. Would agriculture miss that market, or no? If the rhetorical friend of the farmer would do a little research work he might learn that the two are mutually dependent upon each other. When discussing the relative importance of each to the other, he should also remember that industry consumes about 90 per cent of its own production, but that agriculture does not. Therefore, agriculture has a considerable stake in the welfare of industry."

American Wool Business

Announcement that American wool growers have an excellent opportunity now to place their industry on a sound financial basis was made March 5 by J. F. Walker, marketing specialist of the Department of Commerce, who has just completed a world trip in which he made a special study of the wool industry. He said that in Australia, New Zealand and South Africa, wool production has reached the saturation point, and added that the geographical positions of those countries placed them at a disadvantage with the United States in respect to world markets. (Press, Mar. 6.)

Farm Electrification

An editorial in Farm and Ranch for March 3 says: "Intense research is under way in the effort to electrify the farms. Experimental installations are to be placed on a number of farms as the sources of data on the mechanics and economics of farm electrification It is to be hoped that, in a term of years, they will show results.

For the present the problem seems far from solution so far as the great mass of farms is concerned, although many of them are bordered by power lines....Either the cost of electrification must be greatly reduced, or the farm income must be greatly enlarged. The solution probably lies in both directions. Farms can be made more profitable by a change in practices, based on researches already completed. Whether the cost of electricity on farms can be greatly reduced lies with the electrical world...."

Fruit Production in Northwest

An editorial in The Oregon Farmer for March 1 says: "The Rogue River Valley, noted for Indian warfare of pioneer days, has been converted into miles and miles of orchards. The report for the valley as a whole, including Ashland and Grants Pass, shows that 3,487 carloads of pears and apples were grown in 1927. Expressed in terms of boxes, the pear and apple crops of the valley reached the total of 1,909,176 boxes, of which pears constitute 1,513,720 boxes. One of these days, fruit growing in the Pacific Northwest will get its second breath--then look out."

Illinois Dairy Cooperatives

The Chicago Journal of Commerce for March 6 says: "Cooperative dairy marketing in Illinois is growing at the rate of approximately 3,000 new cooperators each year, according to a survey recently completed by the dairy marketing department of the Illinois Agricultural Association. The report, published March 5, discloses that 1,800 members were added to the Pure Milk Association in the Chicago dairy district; 1,100 to the Illinois Milk Producers' Association at Peoria, several hundred in the Bloomington area and more than 500 in the various cream and produce shipping associations of the State during 1927. The survey states that of the $101,000,000 worth of milk and cream being sold annually by Illinois dairymen, 25 per cent is now being sold cooperatively."

National Industrial Conference on Agriculture

Other factors than lack of production efficiency are responsible for the decline in the relative economic position of the farmers, according to the National Industrial Conference Board, New York. Agricultural output per worker during the first quarter of the current century has increased about as much as has the output of industry per worker employed, according to the board's computations. Yet industry during this period has scored great gains, while agricultural prosperity has declined. At the very time that American industrial productivity and prosperity attracted world-wide attention. American agriculture was going through its most trying period, it is pointed out. Output per worker employed in industry during 1899-1925 increased 49 per cent, while the output per worker on farms during the same period increased 47 per cent, or about at the same rate. As in industry, this increase in productivity has been due largely to the greater use of power and to increasing mechanization. Total horsepower used on farms in 1925 was 47,400,000, as against 23,500,000 in 1899, or 4½ horsepower per farm worker in 1925, against only 2.2 horsepower in 1899. Horsepower per person engaged in manufacturing increased from 1.9 in 1899 to 3.6 in 1925. "While no definite measurements can be made of the exact extent to which increased power and mechanization has entered into the increased productivity of either industry or agriculture," says the survey, "the high development of American agricultural implements and machinery, and their extensive

application, are sufficient evidence of the progress made in agricultural production in this direction, in the view of the board. In fact, so superior is American agricultural machinery to implements employed by farmers in other countries that American farm machinery has become one of our most important items of export and is used in all parts of the world where the nature of farming allows its application. The American farmer is considerably more productive than the farmers of other countries. During the five-year period just preceding the war, in the United States 24.4 acres were being cultivated per farm worker; in Scotland, 16.6 acres; in England, 9.5 acres; in France, 8.3 acres; in Germany, 6.2, and in Italy, 4.2 acres per worker. The United States leads all other countries in the use as well as in the development of agricultural machinery, having used in 1920 more than thirteen times as much farm machinery as had been in use in 1870, and total investment of farmers in agricultural machinery in 1920 amounting to $176 per farm worker, as against only $36 in 1870, both figures being given in terms of dollars of 1913 purchasing power, so as to make them comparable. The average farm worker of to-day thus uses about five times as much machinery as did the average farmer fifty years ago." (N.Y.Times, Mar. 7.)

Roadside Marketing in New England

F.V.Waugh, writing in New England Homestead for March 3 on Roadside Stands in New England, says in part: "There is no doubt that the roadside stand business in farm products has increased a great deal during the last few years. The large number of automobiles and the hundreds of miles of improved roads have brought consumers out into the country and have given the farmer a new retail market outlet. The increasing number of farm stands shows that the farmer has taken advantage of the situation. Both from the viewpoint of the farmer and from the viewpoint of the consumer the farmer's roadside stand has advantages and should be encouraged. It affords to the consumer fresh, locally grown farm products at prices somewhat less than store prices. It affords the farmer a good retail market which can be conducted at a low cost and which will usually return prices somewhat higher than those returned by wholesale markets in the city. But the roadside stand business in farm products is being overdone. The very success of a few farmers in building up a steady retail trade on the roadside has brought on a great deal of competition. Not only in New England, but in New York, New Jersey, Maryland and the other North Atlantic States the real farmer-owned stands are being forced to compete more and more with stands which are owned and operated by dealers or hucksters. This relatively new development seriously complicates the roadside stand business in farm products....A bill has been presented in the legislature of Massachusetts authorizing the commissioner of agriculture to approve certain roadside stands under such regulations as he may adopt. This bill would allow the Massachusetts department of agriculture to supervise the inspection of roadside stands. The demand for such legislation has come from both the roadside stand operators and the consumers."

Section 3
MARKET QUOTATIONS

Farm Products March 7. Livestock prices. Slaughter cattle, calves and vealers: Steers, good and choice, $13.25 to $16; cows, good and choice, $8.25 to $11.25; heifers, good and choice, $11.75 to $13.50; vealers, good and choice, $12.50 to $15; feeder and stocker cattle steers, good and choice, $10.75 to $12.50; hogs, heavy weight, medium good and choice, $7.75 to $8.25; lights, medium to choice, $6.60 to $8.35; slaughter pigs, medium good and choice (soft or oily hogs and roasting pigs excluded from above quotations) $6.10 to $7.35; sheep, slaughter sheep and lambs; lambs, good and choice, $15.25 to $16.75; feeding lambs, (range stock) medium to choice, $13.85 to $15.50.

Grain prices quoted: No.1 dark northern spring (13% protein) Minneapolis $1.61 5/8 to $1.67 5/8. No.2 red winter Chicago $1.62; Kansas City $1.53 to $1.58. No.2 hard winter (12½% protein) Kansas City $1.45 to $1.51½. No.2 hard winter (not on protein basis) Chicago $1.41; Kansas City $1.32 to $1.34. No.3 mixed corn Chicago 94¢; Minneapolis 87 to 89¢; Kansas City 85½ to 89¢. No.3 yellow corn Chicago 96¾ to 98¢; Minneapolis 91 to 93¢; Kansas City 89 to 92¢. No.3 white oats Chicago 57½ to 60½¢; Minneapolis 51 1/8 to 56 5/8¢; Kansas City 59 to 60¢.

Florida Spaulding Rose potatoes sold at $11-$13 per barrel in a few city markets. Maine sacked Green Mountains ranged $2.75-$3.10 per 100 pounds in eastern cities; $2.45-$2.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.25-$2.40 carlot sales in Chicago; $2.10-$2.15 f.o.b. Waupaca. New York and midwestern sacked yellow onions sold at a range of $4-$4.75 per 100 pounds in consuming centers; $4-$4.25 f.o.b. Rochester and $4.25-$4.50 f.o.b. western Michigan. Florida pointed type cabbage sold at $1.35-$1.75 per 1½-bushel hamper in the East. Texas round type cabbage $2.25-$3 per barrel crate in terminal markets; $1.20-$1.30 f.o.b. Lower Rio Grande Valley points. New York Baldwin apples sold at $7-$8 per barrel in eastern cities; $7.50-$8 f.o.b. Rochester.

March future contracts on the New York Cotton Exchange declined 4 points to 18.35¢, and on the New Orleans Cotton Exchange they declined 5 points to 18.20¢. March futures on the Chicago Board of Trade declined 13 points to 18.17¢. The average price of Middling spot cotton in 10 designated markets declined 3 points to 18.27¢ per lb. On the same day in 1927 the price stood at 13.74¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 22¾ to 24¢; Single Daisies, 25 to 26¢. Held Cheese. Flats, 29 to 29½¢; Single Daisies, 29¼ to 29½¢; Young Americas, 29½ to 30¢.

Wholesale prices of fresh creamery butter at New York were; 92 score, 51¢; 91 score, 50½¢; 90 score, 49½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 57 Section 1 March 9, 1928.

FARM RELIEF LEGISLATION

The press to-day reports: "A farm relief bill containing 'an alternative plan of equalization fee' and changed to meet certain objections of President Coolidge to the McNary-Haugen measure was reported favorably by the Senate committee on agriculture yesterday. The bill follows the outline announced some weeks ago by Senator McNary, the committee chairman. 'The present bill,' the committee said, 'has been changed throughout by eliminating points which in the former measure met with Executive disapproval. The fundamental principle of the bill itself--that costs of surplus operations in any agricultural commodity should be borne by the community itself--has been made subject to an alternative method of operating through loans and advances, so that authority to impose an equalization fee in the present bill is given to the board only as a reserve power to be resorted to in case the alternative and prior method is found to be unsuccessful.' As reported, the bill provides for a revolving fund of $250,000,000 to be loaned by the Government to cooperative marketing associations or farm agencies to aid in orderly marketing of surplus crops. If this scheme fails, the Federal Farm Board proposed by the bill would be permitted to levy an equalization fee on producers of each commodity in the marketing of which a loss had been sustained. To meet the objections made last year by Attorney General Sargent, the new bill removes all restrictions upon President Coolidge to name the board members. The liability of the Federal Government to the aggregate amount of the revolving fund and the stabilization funds are now limited."

A second report says: "The House agriculture committee, continuing to wrestle with the farm relief bill in executive session, concerned itself yesterday with that section relating to the powers of the Federal Farm Board to be created under the bill, but came to no conclusion...."

TOBACCO MARKETING

A Danville, Va., dispatch to-day says: "The Danville tobacco market selling season closed yesterday with sales aggregating 56,500,000 pounds since October 4. The average price is expected to be about 20 cents a pound. The price average was below that of last year principally, it is held, because the quality of the tobacco was not so good and because of overproduction in southern fields....According to Col. A.B. Carrington, of Danville, president of the association, anything over 600,000,000 pounds is likely to affect the farmers adversely. Not only has the tobacco-growing area extended now well into Georgia, but the foreign demand is diminishing because of an increase in foreign-grown tobacco."

BRITISH AIR FORCES

A London dispatch to-day says: "Plans for coordinating the air forces of the British dominions, especially by interchanging men of the Canadian and Australian air services, with the Royal Air Force, were announced yesterday by Sir Samuel Roare, Secretary of State for Air, in connection with estimates for the 1928 expenditures of his department.... A personnel of 32,500 is provided for. The Royal Air Force itself would be increased from 69 to 73 squadrons, the air minister stated. The new squadrons would go to India, making a total of eight there...."

Section 2

Business Organization

Archer Wall Douglas, writing in LaSalle Extension University Bulletin, says: "It's a peculiar thing that this great business machine of ours--the largest, the most powerful, and the most expensive that has ever been put together--should be getting out of order so frequently. It is always developing unpleasant knocks, squeaks, and rattles. Just as we think we have it tuned up for a record run, something happens to spoil our most optimistic calculations. Perhaps we don't make necessary adjustments often enough; perhaps we put too much strain on certain parts; perhaps we are trying to gear the whole mechanism too high. Anyhow, we have come to learn that our big problem is not so much that of negotiating the up-grades and down-grades of the main road as it is that of keeping the moving parts in adjustment. What we are striving for is the modern ideal of the 'one-hoss shay.' We thought we had taken out a lot of unnecessary strains when we leveled out the business road--filled in the hollows of severe general depressions and graded down some of the peaks of periodic inflation. But while we were doing that--with the aid of good ballast for the embankments, furnished by the Federal Reserve system--we temporarily forgot to adjust the moving parts to the higher speed we could make over the improved road. And we also forgot about the need for slackening speed when approaching curves. Construction and agriculture were the two basic factors which filled the roles of shock absorbers during the period when the business machine was most seriously disabled. These, with the assistance lent by the steadily growing light and power, electrical equipment, chemical, rayon, and tobacco industries, prevented the recent recession from assuming the proportions of a depression. Some credit must also be given to our unparalleled financial resources and the optimism engendered by a strong market for leading stocks and bonds. Now that steel output has definitely reversed its downward trend and automobile manufacture is pointing toward a record year, now that we are approaching the spring merchandising season, and now that leather, rubber, and various metal products are coming into better demand and packing-house products are offering a more satisfactory profit margin, we have the opportunity to operate the business machine at a good rate of speed and at the same time put a number of its working parts in better condition."

Fur Supply

A constantly growing demand and the encroachment of civilization on areas which support wild life have been depleting the world's supply of furs, according to a survey by the New York National Bank of Commerce. In the face of rising prices consumption of furs has grown larger and larger, it is pointed out. The survey says that more extensive and intensive trapping will serve to supply the present, but some measures of conservation will be necessary to insure a supply for the future.

Milk Legislation in New York

An editorial in The Rural New-Yorker for Mar. 3 says: "New York farmers produce more milk for liquid consumption than any other State in America...Realizing the importance of milk to city children, dairy farmers long since met in conference, and established rules to safeguard the quality and purity of milk sold for urban consumption. From the very beginning down to the present time they have been particularly insistent that the milk must be delivered to their customers in the natural, whole, fresh, clean state with nothing added to it and

nothing taken from it. These provisions were enacted into State law, and, while sometimes violated, have generally been observed. But now without consultation or warning some invisible interest has caused a bill to be introduced in the legislature to permit fat to be added to the milk or taken from it at will. This bill takes the disguise off the face of those who pretend an interest in city children, and yet demand this opportunity to cheat them in the milk bottle. They would deny the child natural whole milk as it comes from the cow. It would mean a bigger profit at the expense of the farmer and the child. They would have a wide choice between cheap foreign stale fat, and skim-milk. Avarice could go no further. Surely dairy farmers will be united against this bill."

New York Fruit The New York Times of March 8 says: "The demand of the peach industry for a variety of good quality that will prolong the season for the Elberta type of peach has been met by the introduction of Wilma, a yellow fleshed peach of excellent quality ripening a week after the Elberta, says Dr. U.P.Hedrick, horticulturist at the New York State Agricultural Experiment Station in Geneva. Wilma originated from an Elberta pit grown by W.C.Rofkar of Port Clinton, Ohio, and has been grown on the station grounds for a sufficient length of time to convince the station fruit specialists that the new variety is worthy of trial by the peach growers of the State. Planting stocks of Wilma are available at cost from the New York Fruit-Testing Association, which cooperates with the station in the propagation of new and noteworthy varieties of fruit found from tests at the experiment station to possess special merit...."

A second item in the same issue says: "Large, handsome plums of prime quality could be grown profitably in New York, especially for sale on roadside stands, if varieties possessing these qualities were available, declares Dr. U.P.Hedrick, horticulturist at the New York State Agricultural Experiment in Geneva, where an effort is being made to breed new varieties that will meet this need...."

Polish Conditions Economic conditions in Poland in 1927 were more satisfactory than in any other year in the history of the Republic, according to the first quarterly report of Charles S. Dewey, recently appointed Financial Adviser to the Polish Government, and representative in Warsaw of Bankers Trust Company and The Chase National Bank, fiscal agents for the Republic of Poland Stabilization Loan of 1927. Pointing out that agriculture is by far the most important factor in Polish economic life, the report states that Polish agriculture now stands at substantially its prewar level. The planted area is only slightly less than the average of years immediately before the war, and taking the last three years together the average yield per acre for most crops has equaled or exceeded the prewar figure. (Press, Mar. 7.)

Russell on American Ideals Bertrand Russell writes in Nation's Business for March on "Is America Giving a Chance to Individuality?" Mr. Russell in his article expresses the opinion that teamwork and cooperation are harmful if carried too far. He says in part: "Any social group which is to achieve the highest kind of success requires a combination of two somewhat antagonistic qualities; social cohesion and individual initiative. Of these, the former gives stability, the latter brings

progress. Neither alone suffices. What is needed is a correct balance between the two. It has seemed to me, so far as a somewhat superficial observation has enabled me to judge, that America is laying somewhat too much stress upon social cohesion, and somewhat too little upon individual initiative....Civilizations, as a rule, decay; the instances of progress are quite exceptional. A few centuries in Egypt, a few in Greece, a few in the modern western world, contain almost the whole stock of the world's discoveries and creations. Modern men, limiting their purview to recent times, have come to think of progress as a law of nature; it is, in fact, rare and exceptional. Therefore the causes which produce it demand careful study, if we are not to enter upon a new phase of immobility followed by decay. One of the most noteworthy things about progress is the small number of eminent individuals upon whom it depends. If Kepler, Calileo and Newton had perished in infancy, the modern world as we know it would probably not exist. Possibly someone else might have done their work; but at any rate the elimination of a hundred men would have prevented the rise of modern science....The great difference in output must, therefore, be attributable to social conditions....I have frequently been told by Americans that the individualism and initiative of the pioneer still survive in the older American stocks. I must confess that this is not my impression, except possibly as regards a few of the most successful multi-millionaires. My impression, for what it is worth, is that economic and social fears dominate most Americans, and that the dread of being in any way peculiar is greater than in any other country known to me. Conversely, the hostility of conventional people towards anything unusual....is also greater than in most civilized nations. The reason of this I take to be the effort required to assimilate the foreign population--an effort to which much that would otherwise be desirable has had to be sacrificed...."

Section 3

Department of Agriculture

An editorial in Dairy Produce for March 6 says: "A most complete review of the work in eradication of tuberculosis was given recently before a congressional committee by Doctor Mohler, Chief of the Bureau of Animal Industry, and the report was not only complete but satisfactory. It appears to have proven so to members of the committee, judging from the questions asked. Doctor Mohler not only showed satisfactory progress in the work the country over, but was able to convince the committee that the bureau in its efforts to stamp out tuberculosis from domestic herds has the indorsement and the active help of health boards, civic bodies and many organizations in the dairy industry. The fact that the public is behind the eradication of tuberculosis from dairy herds is proven by the support given the health board of Chicago when it put into effect the law requiring that all milk sold in Chicago must come from cows that have been tested and found to be free from tuberculosis. The quick success of the city in overcoming opposition and keeping up the milk supply was due to the fact that the public joined with the health board in demand that the milk be beyond suspicion. To-day you can not buy any other kind of milk in Chicago. Doctor Mohler also brought forward, from his long experience, and the results of thousands of tests, that the testing of cows does not harm them. Many claims of serious harm to cows, because of the tuberculin test, have been brought forward by the opposition to testing, but such claims are, according to Doctor Mohler, groundless. His review of the

work of testing cattle is probably the most complete that has ever been made on this subject."

CORRECTION

A mistake, copied from the press, in yesterday's Daily Digest, gave credit to the outlook on the American wool industry to J.F.Walker "of the Department of Commerce." The credit should have been given to J.F.Walker, consulting specialist of the Division of Cooperation, Department of Agriculture.

Section 4
MARKET QUOTATIONS

Farm Products March 8. Livestock prices quoted: Steers, good and choice, $13.50 to $16; cows, good and choice, $8.25 to $11.50; heifers, good and choice, $11.75 to $13.50; vealers, good and choice, $13 to $15.75; feeder and stocker cattle steers, good and choice, $10.75 to $12.50; hogs, heavy weight, medium good and choice, $7.65 to $8.15; lights, medium to choice, $6.60 to $8.35; slaughter pigs, medium, good and choice (soft or oily hogs and roasting pigs excluded from above quotations), $6.10 to $7.35. Lambs, good and choice, $15.25 to $16.50; feeding lambs, (range stock) medium to choice, $13.85 to $15.50.

Grain prices quoted: No.1 dark northern spring (13% protein) Minneapolis $1.60 5/8 to $1.67. No.2 red winter Chicago $1.59¾; Kansas City $1.55 to $1.58. No.2 hard winter (12½% protein) Kansas City $1.44½ to $1.50. No.2 hard winter (not on protein basis) Chicago $1.41; Kansas City $1.31½ to $1.33½. No.3 mixed corn Chicago 94½¢; Minneapolis 87 to 89¢; Kansas City 85 to 88½¢. No.3 yellow corn Chicago 96½ to 98½¢; Minneapolis 91 to 93¢; Kansas City 88 to 91¢. No.3 white oats Chicago 56½ to 61¢; Minneapolis 52 to 56¾¢; Kansas City 58½ to 60¢.

Maine sacked Green Mountain potatoes sold at $2.85-$3.05 per 100 pounds in eastern cities; $2.45-$2.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.35-$2.40 carlot sales in Chicago; $2.10-$2.20 f.o.b. Waupaca. New York and midwestern sacked yellow onions ranged $4-$4.75 per 100 pounds in city markets; $4.50 f.o.b. western Michigan points. Florida pointed type cabbage sold at $1.50-$1.75 per 1½-bushel hamper in the East. Texas round type $2.50-$3.50 per barrel crate in consuming centers; $1.25-$1.40 f.o.b. Lower Rio Grande Valley points. New York Baldwin apples mostly around $8 per barrel in New York City; cold storage stock mostly $8 f.o.b. Rochester. Michigan Baldwins $9.50-$10 in Chicago.

March future contracts on the New York Cotton Exchange advanced 9 points to 18.44¢, and on the New Orleans Cotton Exchange they advanced 2 to 18.22¢. On the Chicago Board of Trade March futures advanced 10 points to 18.27¢. The average price of Middling spot cotton in 10 designated markets advanced 8 points to 18.35¢ per lb. On the same day last year the price stood at 13.71¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 50¢; 91 score, 49½¢; 90 score, 49¢. Wholesale prices of No.1 fresh American cheese at New York were: Flats, 22¾ to 24¢; Single Daisies, 24½ to 26¢. Held Cheese; Flats, 29 to 29½¢; Single Daisies, 29¼ to 29½¢; Young Americas, 29½ to 30¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 58 Section 1 March 10, 1928.

CONGRESS ADJOURNMENT President Coolidge is of the opinion that Congress can complete its legislative tasks and adjourn, if it so desires, by the middle of May. (A.P., Mar. 10.)

NEW YORK MARKET COTTON EXAMINATION The Journal of Commerce to-day reports: "A demand for the re-examination of all of the cotton in the New York market, alleged to be largely untenderable and merely held there to permit of the manipulation of that market, was voiced yesterday by members of the subcommittee of the Senate agricultural committee. Consideration will be given the matter in executive session to-day. The subcommittee Mar.9 continued its investigation of the Department of Agriculture's work in cotton....The committee room was turned into a cotton classers' room to have the department's review board pass on some twenty samples offered in evidence by L.M.Ganier, New Orleans, a cotton dealer, as having been pulled from 1,200 bales taken up on contracts within the last ten days...."

PUBLIC LANDS A bill granting New Mexico 400,000 acres of nonmineral public lands was favorably reported by the Senate public lands committee yesterday, according to the press to-day.

SAMOAN ANNEXATION PROPOSED Provision for the annexation of certain islands of the Samoan group is embodied in a resolution introduced yesterday by Senator Bingham of Connecticut. (Press, Mar. 10.)

FLOOD RELIEF The Associated Press to-day reports: "A plan for including a tributaries flood control project in Mississippi River flood relief was framed yesterday by a score of representatives from States through which the tributaries flow. The group indorsed an amendment to the Jones flood bill pending in the Senate, proposed by Senator Robinson, of Arkansas, to appropriate $5,000,000 for flood surveys on the tributaries by the Chief of Army Engineers. The findings of the surveys would be presented to Congress Dec. 1. Another amendment, suggested by Representative Wingo, of Arkansas, which was approved, proposed that the flood control of tributaries should be stated as a purpose in any flood bill enacted by Congress as a part of the main project for the Mississippi Valley. Representative Porter, of Pennsylvania, advocated a new commission, composed mainly of civilians, to do the flood work instead of the Army Engineers. Reservoirs were declared by Representative Sears, of Nebraska, a member of the House flood committee, to be the most efficient and permanent method of flood relief for the entire Mississippi basin."

Section 2

Cotton and Grain Marketing

An editorial in The Wall St. Journal for March 9 says: "A Senate committee on agriculture has approved a bill relating to the marketing of cotton and grain which Senator Caraway says, if passed, 'will end the vicious practice of short selling.' But can anything not wrong in itself, an important agency in providing a ready market for those crops, benefiting the whole community, be called vicious? Those crops are harvested but once in twelve months while their consumption is continuous throughout the year. Consequently, someone must carry the crops during that consumption period, running the risks of loss through changing world conditions. That someone must be either the farmer or the dealer. If the dealer carries them he will not invite bankruptcy by paying the market price and trusting that it will remain at or above the present figure until the whole supply is sold. He must, for his own protection, either pay the farmer considerably less or else find some way of insuring his price. Otherwise the farmer must carry the crop himself and market it at intervals over the twelve-month period. Here is where the so-called 'vicious practice of short selling' plays an important part in marketing....One may think the facts of supply and demand justify a higher price for cotton or wheat, and therefore he will buy. Another, looking at the facts may think that the price should go lower; he stands ready to back up his judgment by selling and contracting to make a delivery at some future date. His ability to sell depends upon the readiness of the other to buy. This is what makes it possible for a dealer or a consumer of cotton or grain to insure his transactions by hedging. Hedging, or price insurance, is not possible when one party must be an actual holder of the goods and the other accepts actual delivery. The speculator must come in on one side or the other of the transaction. Eliminate him and the short transactions entirely and you reduce the marketing of cotton or grain to a transaction where the movement from the farms would be only as the ultimate consumers purchased the finished goods. The result would be either a much lower price level than now or else a farm surplus problem that would make the present one infinitesimal. Because of short selling there is always a market for all commodities dealt in on the exchanges....Is there anything 'vicious' in the system that makes this possible?..."

Couzens Farm Experiment

A dispatch from Pantiac, Mich., March 9 says: "Although their operation of Senator Couzens's 900-acre Wabeek farm has been 'fairly' financially successful, Frank and Mark Williamson, selected in 1926 to run the farm, will give up the property. The Williamsons announced this in a letter to Mr. Couzens March 8. Operating the farm to make it pay has been extremely difficult, they said. The Senator announced his intention to turn over the farm rent and tax free to the best qualified applicants, giving them the entire profit from the operation of the farm, the tenants to supply their own stock. Out of more than 1,000 applicants the Williamsons were the lucky ones."

Doctors Aid Farm Production

An editorial in Commercial West for March 3 says: "The influence of medical suggestions on diet has a widespread effect on the sale and value of different farm products. A notable instance of this has been the recent boom and rising prices for calves' liver, which the doctors have been telling us is particularly rich in vitamin A, essential to life and particularly valuable, like cod liver oil, for

treatment of anemia. Although calves' liver is a pleasing and readily digestible item of diet, especially if properly cooked, yet there need not be particular reliance on calves alone to supply the livers that aid us to live. Beef livers, sheep livers, and chicken livers evidently also contain the same valuable vital properties, and may be special aids to those to whom calves' livers now stand for an unduly high cost of living. Evidently the less the livers are cooked, the more likely there still remains a sufficient amount of vitamin....The cabbage, which gives us sauerkraut, is also having its medical boom. The fermented sauerkraut juice is said to be an intestinal antiseptic, and great numbers of persons are now taking it regularly...The horseradish is also getting into more popular vogue, owing to the claim that its juice stimulates the secretions of the pancreas and so wards off diabetes....All good medical authorities extol the dietetic benefits of milk and there is often especial recomendations for a milk diet, which requires,as a digestive adjunct, a good deal of fruit juice, especially of oranges, grapefruit, and tomatoes. This in turn aids fruit growers, and should help along also the profitable marketing of the tomato crop. It is said that in the canning of tomatoes there is less loss of the vitamins than in the case of any other fruit or vegetable, and this should give a good reason why any tomato surplus which can not be promptly consumed can be profitably canned....It may be well for the farmer to specially watch the health pointers of the doctors, for they may also point to special means of securing larger farm profits."

Head on Agriculture

Walter W. Head is the author of a comprehensive article on "Agriculture--A National Problem" in The American Review of Reviews for March. He says in part: "If all the farmers of the United States were members of one great union, if that union were directed and controlled by one man, if, in 1928, that individual should order a general strike of all farmers in the United States, then every man, woman and child in America would find that the 'agricultural problem' was not merely a problem, but that it had become the problem of every American. We know that this can not and should not be brought about;...yet, to a greater or less degree, it has happened in many other far less important industries. The fact that it can not happen in agriculture, to an appreciable degree, sets that industry apart from all others. It is that which makes the farmers' problem our most perplexing economic enigma....The farmer has not suspended operations. He has not even threatened suspension. If he were to suspend, even if he were to make a convincing threat of suspension, the resulting problem would take precedence over all others. It is not impossible for the farmers to organize for effective cooperation. It is, however, extremely difficult....This has been the constant despair of the organizers and the leaders of agricultural cooperatives. But various influences are now effectively at work tending to remove these handicaps. Rural free-mail delivery, the automobile, the telephone and the radio are giving the farmer daily, almost hourly, contact with his fellows and with the world at large. It is becoming constantly easier to submit him to the same forces of mass emotion that affect other men who live and labor side by side....The outstanding example, for the time being, is the Canadian wheat pool. This could never have achieved its present apparent success without modern agencies for the dissemination of information and propaganda....

Agriculture will continue, necessarily, to experience periods of relative prosperity and relative depression. This has been true of all industry....These temporary cycles tend to equalize their own effects. We are concerned with the more permanent causes and effects which have tended to place agriculture at a disadvantage, compared with other industries.

"It appears to me that relief must be sought in the following fields: 1. Increased individual efficiency. 2. Increased demand for farm products. 3. Equalization of transportation costs. 4. Greater control over the marketing of farm products. 5. Equalization of opportunity in so far as it is affected by legislation....But, even if this be deemed a theoretical solution of our problem, it falls short of practical achievement in two respects: First, the numbers affected are too great; second, even the competent farmer is not adequately protected or adequately rewarded....Instead of elimination by the 'survival of the fittest' we must have elimination by education, by the improvement of the unfit, by the transformation of the misfit. For this tremendous task, we have to-day a group of wonderfully effective agencies. The United States Department of Agriculture, the various agricultural colleges and schools, State departments of agriculture, and county agents have been immeasurably beneficial. Improved means of communication, plus an increased responsiveness by the farmer to the constructive program of these agencies, give promise for the future...In this day of organization,...when other industries are benefiting by a better understanding of the operation of economic law,..when other industries are steadily progressing toward the elimination of uncertainties, we must somehow reduce the disastrous effects of the major uncertainties peculiarly inherent in agriculture. For the removal or alleviation of these uncertainties we must seek and receive the aid of all other industry, of trade and of commerce, of finance, of Government....I favor the creation of warehousing and credit machinery by private finance and Government--the latter including the credit facilities of the Federal Reserve and the Intermediate Credit Banks--which will enable agriculture to control the disposition of ordinary surpluses. Such machinery very probably will not be effective in controlling the disposition of surpluses which recur in successive years, but it should be effective in preventing sudden radical price changes due to temporary surpluses....To supervise these activities--to provide further for proper governmental participation in solving the agricultural problem--we should have a Federal Farm Board composed of not more than five members appointed by the President, of which the Secretary of Agriculture should be an exofficio member...."

Irish Farm Products

The Economist (London) for February 25 says:"...Exports of Irish farm products in the past year have increased in volume, and, what is even more to the point, prices paid have started to improve, with the result that the total values of exports have substantially increased. At the same time, imports of manufactured goods have fallen off, though imports of raw materials and livestock feed-stuffs have come forward in larger quantities consistent with the increase in livestock--particularly pigs--on the farms....Home consumption and exports of butter and bacon have increased. Advancing exports and lagging imports have resulted in making the adverse trade balance for 1927 the smallest for the past four years, which is another hopeful sign."

Section 3

Department of Agriculture

An editorial in Western Breeders Journal for March 1 says: "The 'Truth-in-Meat' movement progresses. The beef-grading service of the Bureau of Agricultural Economics of the United States Department of Agriculture has been extended to include 'good' beef. It is estimated that this extension will result in making available for the service about 27 per cent of the beef slaughtered, instead of the six or seven per cent that could be graded as 'prime' or 'choice.' We feel that it will not stop there. We still fail to see any reason why our original slogan 'Mark all the grades' should not ultimately find acceptance. Granting only the continued vigilance of livestock producing interests we have confidence that compulsory grading and marking of all beef offered for sale will become an actuality. It is feasible, it is economically sound, and it is ethically unanswerable."

Section 4

MARKET QUOTATIONS

Farm Products

March 9. Livestock quotations at Chicago: Slaughter steers, good and choice, $13.50-$16; cows, good and choice, $8.25-$11.50; heifers, good and choice, $11.75-$13.50; vealers, good and choice, $13-$15.50; feeder and stocker steers, good and choice, $10.75-$12.50; heavy weight hogs, medium, good and choice, $7.65-$8.15; slaughter pigs, medium, good and choice, $6.10-$7.35; slaughter lambs, good and choice, $15.35-$16.50; feeding lambs, medium to choice, $13.85-$15.50.

Average price of Middling spot cotton in 10 designated markets declined 14 points to 18.21¢ per lb. March future contracts on the New York Cotton Exchange declined 11 points to 18.33¢, and on the New Orleans Cotton Exchange they were down 6 points, closing at 18.16¢. On the Chicago Board of Trade March futures declined 12 points to 18.15¢.

Grain prices quoted: No.2 red winter, Chicago $1.60; Kansas City $1.54-$1.57. No.2 hard winter, Chicago $1.41; Kansas City $1.29½-$1.32. No.3 mixed corn, Chicago 95¼¢-95½¢; Minneapolis, 87¢-89¢; Kansas City 85½¢-89¢. No.3 yellow corn, Chicago 98¢-98½¢; Minneapolis 91¢-93¢; Kansas City 88¢-91¢. No.3 white oats, Chicago 56½¢-60½¢; Minneapolis 54 3/8¢-55 7/8¢; Kansas City 57½¢-59¢.

Maine sacked Green Mountain potatoes $2.50-$3.10 per 100 pounds in the East; $2.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.20-$2.35 carlot sales in Chicago; $2.10-$2.15 f.o.b. New York and Midwestern sacked yellow onions closed $4-$4.75 per 100 pounds in consuming centers; $4.50 f.o.b. Rochester. Texas Round type cabbage $2.25-$3.50 per barrel crate in terminal markets; $1.30-$1.40 f.o.b. Lower Rio Grande Valley points. New York Baldwin apples $7.50-$8.25 per barrel in city markets; $7.50-$8 f.o.b. Rochester.

Closing price of 92 score butter at New York was 50½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¼¢-29½¢; Young Americas 29½¢-30¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 59 Section 1 March 12, 1928.

TOBACCO CURTAILMENT A Danville, Va., dispatch to the press of March 11 says: "Overproduction of tobacco in the southern belts has become so serious that the Tobacco Association of the United States, of which A.B.Carrington of Danville is president, has appointed a committee for the purpose of obtaining the cooperation of the Federal Department of Agriculture and the agricultural departments of the tobacco States in bringing about a curtailment. The crop which has been in process of marketing during the past few months was the largest ever produced in America, according to Mr. Carrington, who says that his information shows a total of 720,000,000 pounds, against 600,000,000 the year before. The average price this year will be about 15 cents a pound, which, he says, is below the cost of production. The Tobacco Association contends that a crop in excess of 500,000,000 pounds will react economically against the growers, and it is the aim of the organization to emphasize to producers the importance of not growing more than the market can absorb...."

COTTON CONSUMPTION An Associated Press dispatch to-day from London states that the International Cotton Federation reports that the world's consumption of raw cotton during the six months ending January 31 showed an increase of 256,000 bales over the corresponding period ending January 31, 1927. Great Britain, the United States and Germany shared in the increase, while India, China and Japan suffered setbacks.

WHEAT RATES AND PRODUCTION An Associated Press dispatch March 12 from Chicago says: "An Oklahoma economist March 10 warned the Interstate Commerce Commission that lowering freight rates is probably the only way to preserve the wheat export market of the United States. The economist, J.T.Sanders of the Oklahoma Agriculture and Mechanical College at Stillwater, testified in the commission's investigation of transportation costs on grain shipped abroad. He asserted that the competition in the export grain business was so keen that any small advantage shifts the whole balance of the grain movement. Now, he continued, the balance in transportation costs is in favor of the wheat growers of Argentina, Australia and Canada and against the farmers of the United States. He pointed out the possibilities of increased production in Argentina and Canada, declaring that only 21 per cent of the fertile, tillable soil in the South American country is now being worked. Of the 167,000,000 acres available in Alberta, Saskatchewan and Manitoba, only 35,000,000 were being worked in 1925, Mr. Sanders declared. He, however, foresaw a bright future for the southwestern wheat growers if freight rates to the Gulf of Mexico ports are reduced. In that section, too, there is great room for expansion, as the wheat producing acreage of southern Kansas can be increased 77 per cent, Oklahoma 81 per cent and the Texas Panhandle 570 per cent, he said."

Section 2

Business Conditions

An editorial in The Magazine of Wall Street for March 10 says: "Judged from the continued poor performance of railway car loadings, there has been as yet no important upturn in business conditions. Yet steel production is undoubtedly at a much higher point than several months ago. Automobile output is as yet rather disappointing in view of expectations but should rise in the near future. Distributive trade is sufficiently active to support the theory that buying power is still well sustained. On the other hand, the report of rather serious unemployment in New York State is disconcerting. Such important industries as coal and petroleum are still languishing but the textile trades are more active. Business thus presents a particularly irregular appearance. It is extremely doubtful that profits for the first quarter in most industries will measure up to the same quarter of last year but comparison, in this case, is with an exceptionally active period. Attention is now centered on possibilities for the second quarter which will probably represent an improvement over the present period. But, from the broader standpoint, it now seems that the high-water mark in American business was reached in 1926 and will not again be attained for some time."

Carver on Economics

Thomas Nixon Carver contributes the fourth installment in his series on economics entitled "The Great Escape" in The Magazine of Business for March. He says in part: "The first six extrications in the great drama of economics have brought us to the present stage in our progress from want to prosperity. By scattering, our ancestors increased the acreage from which they derived their food supply. By working, they made each acre yield more. By invention, they harnessed other sources of energy to the task of doing man's work. By organization, they eliminated destructive activities and economized human energy by turning it all, or most of it, into productive channels. By the creation of responsible parenthood, through marriage and property, they enabled those who had intelligence and foresight to protect their own standard of living against the depredations of the reckless breeders and improvident consumers. This is the present economic system. And this brings us face to face with the modern economic problem: the need of balancing the economic functions. This much at least can be said for our present economic system: it has abolished famine....The worst that can be said against this system is that it has not equalized prosperity, or abolished the poverty of a submerged element....The problem of poverty in this stage of economic development has become a problem of low wages and unemployment....One key to all programs of permanent economic improvement is the understanding of the concept of a static condition of the market, or a condition of equilibrium of supply and demand. In the absence of some form of monopoly every price tends to become an equilibrium price. Even when disturbed, it tends to reassert itself. An economist who understands the factors and forces that operate to maintain this equilibrium is then in a position to play upon it in such a way as to produce vast and permanent results with relatively little effort. Any other method than this is likely to prove as ineffective as an attempt to eradicate the fly or the mosquito by eternal swatting....A little effort put forth in the direction of changing the equilibrium of forces that produce a given price is likewise more effective than any direct price-fixing legislation by the

Government....Instead of trying to raise wages directly and creating this long train of consequences, there would at least be considerable economy of effort if we were to turn our attention to the general factors which determine the equilibrium wage. The purpose is to see if we can not change some of those factors and create a new equilibrium which will give a higher wage. If this can be done, then without further effort wages will rise automatically. When a new equilibrium wage at a higher level is established it persists and does not bring with it such a train of evil consequences as invariably follow the attempt to decree high wages directly."

Commons on Farm Prices and Gold

John R. Commons, University of Wisconsin, contributes the second installment of his lengthy treatise on "Farm Prices and the Value of Gold" in The North American Review for February. In this he says in part: "It is on account of taxes, interest, debts and the violence of agricultural price changes that farmers need both stabilization of the value of money and 'orderly marketing' of crops; for it is not the high or low value of gold in itself that hurts the farmer. Changes from a high to a low value demoralize him, or from a low to a high value damage him. If the change is from high to low value of gold, the farmer, on account of increased prices, becomes over-optimistic, and incurs larger debts than other industries in order to carry on the same amount of business as he did at the previously lower prices and the lower values of land. And if the change occurs from a low to a high value of gold, the burden of debts and taxes is increased more by falling prices than it is for other industries, which are able to stabilize. He loses by the rising overhead charges when prices rise and he loses by the fixed charges of debts and taxes when prices drop. All industries lose in the same way, but the farmer loses more than others because his price changes are more violent and he can not so easily escape their consequences....It is not only the spread between manufacturers' prices and agricultural prices that burdens the farmer; it is also the spread between his prices of former years and his prices now, resulting in an increase in the burden of taxes and debts occasioned by the fall in prices....In this respect the farmer suffers with others, but he is in a less advantageous position to adjust his affairs to meet the new conditions. The issue is a general one and resolves itself into the question, shall creditors obtain unearned income in terms of commodities, and producers suffer undeserved outgo in terms of commodities, by a mere rise in the value of gold, over which they have no control and over which only the Federal Reserve System has control? Or, reversely, shall creditors be made to lose and debtors be presented with a gain by a fall in the value of gold, over which they have no control? A stable value of gold, regulated by the Federal Reserve System is the most important of the many things required in preventing the ups and downs of production and employment in all lines and maintaining a better balance between manufactures and agriculture."

Cotton Institute

An editorial in The Ohio Farmer for March 3 says: "Once upon a time there was a large use of cotton and wool in this country to make feminine clothing. Gradually this use was curtailed through shortening of garments and through the susbstitution of silk, rayon, etc., for the cotton and wool formerly used....But now comes the

Cotton Textile Institute with the announcement of new uses for cotton fabric, chief of which is in the construction of concrete roads!...The institute states that at least a million yards of this fabric will be used for this purpose this year and that one engineering firm alone has asked for bids on 300,000 yards....Here is how it is done: The new fabric--a loose cotton mesh--is laid over a cement base and on top of it the surface of the highway is molded. The layer of fabric serves as a cleavage between the surface of the road and the foundation so that in case of repair the top layer may be removed and a new surface installed without disturbing the foundation. This is not the only new use for cotton being studied by the Institute mentioned above. Cotton for bags, road markers, awnings, and numerous other purposes is being studied,all with a view to widening the market for cotton. These people have hit upon a fundamental way to help the agricultural industry. The Corn Belt must find some other outlets for its products than food and clothing. Perhaps eventually the by-product will be more valuable than the main product--an illustration of the old saying about the tail wagging the dog."

Country Life Commission

H.A.Wallace, writing in Wallaces' Farmer for March 2, says: "Twenty years ago, Roosevelt appointed my grandfather, Henry Wallace, as one of the members of the Commission on Country Life. This commission, by its hearings and its report, centered public consciousness of that day on agriculture in an altogether new way. Many city people, especially, were waked up by the report. I have just attended the twentieth anniversary dinner celebration of the appointing of the commission. The men wore dinner suits, and there were numerous millionaires present. Nicholas Murray Butler, president of Columbia University, presided, and voiced the opinion of many present when he said jokingly that he thought the country was a fine place to get away from to come to town. The significant thing about a meeting of this sort in New York City is that it demonstrates a growing interest on the part of a few really intelligent, wealthy men in farm problems and the problem of where our civilization is drifting. They are beginning to sense that while the cities may prosper for decades at the expense of farming, yet it is fundamentally true that the agricultural welfare of to-day has a lot to do with the city welfare of tomorrow. And so these New Yorkers listened patiently while Senator Capper, of Kansas, and President Butterfield, of Michigan, and others told the story of getting a fair share of the national income for farmers, so that they might create a sound and beautiful agricultural civilization on the land."

Farm Loans

The Potomac Joint Stock Land Bank, Washington, D.C., has announced a reduction in rate of interest from 6 per cent to $5\frac{1}{2}$ per cent on farm loans in Maryland and Virginia negotiated for and closed after April 1. President George A. Harris said that agricultural conditions in those States are stable, having made much improvement in the last few years, the building of good roads, diversification of crops, improved markets and increased prices for farm products, particularly tobacco, livestock and dairy products, having greatly increased the value of farm land and the ability of the farmer to meet his interest payments. (Press, Mar. 8.)

Milk Marketing in New York The New York Times of March 9 reports that a summary of replies made by dairy farmers to a recent questionnaire on milk marketing is given by Charles A. Taylor in the Dairymen's League News. Analysis of thousands of answers reveals almost unanimity on the need of a central organization and on the questions of surplus and financing. Of the farmers who replied, 2,437 were affiliated with the Dairymen's League Cooperative Association, Inc. Ninety-five per cent of these, according to Mr. Taylor, expressed the opinion that the milk of all producers in New York should be marketed through one organization.

Section 3
MARKET QUOTATIONS

Farm Products March 10. Livestock quotations at Chicago: Heavy weight hogs, medium, good and choice, $7.80-$8.30; light lights, medium to choice, $6.60-$8.40; slaughter pigs, medium good and choice, $6.10-$7.35.

Maine sacked Green Mountain potatoes $2.85-$3 per 100 pounds in eastern cities, top of $3.15 in New York City; mostly $2.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.20-$2.35 carlot sales in Chicago. New York Baldwin apples $7.50-$8.25 per barrel in eastern city markets; cold storage stock $7.50-$8 f.o.b. Rochester. New York and Michigan Baldwins $9.50-$10 in Chicago. Texas round type cabbage $2.50-$3.75 per barrel crate in terminal markets; $1.50-$1.75 f.o.b. Lower Rio Grande Valley points. New York and midwestern sacked yellow onions $4.25-$4.75 per 100 pounds in consuming centers and $4.50 f.o.b. shipping points.

Closing price of 92 score butter at New York was 51¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¼¢-29½¢; Young Americas, 29½¢-30¢.

Average price of Middling spot cotton in 10 designated markets advanced 11 points to 18.32¢ per lb. March future contracts on the New York Cotton Exchange advanced 7 points to 18.40¢, and on the New Orleans Cotton Exchange they were up 18 points at 18.34¢.

Grain prices quoted: No.2 red winter wheat at Chicago $1.61; Kansas City $1.53-$1.56. No.2 hard winter, Chicago $1.38; Kansas City $1.28-$1.30. No.3 mixed corn Chicago 95½¢; Kansas City 83½¢-87½¢. No.3 yellow corn, Chicago 98¢-98½¢; Kansas City 86¢-90¢. No.3 white oats, Chicago 56¢-57¼¢; Kansas City 56½¢-58¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 60 Section 1 March 13, 1928.

COTTON MARKET LEGISLATION

The Senate agricultural subcommittee continued yesterday the investigation of the 1927 cotton market decline, according to the press to-day.

RETIREMENT BILL

The House civil service committee yesterday voted to make a favorable report on the Lehlbach bill liberalizing the present retirement law. The bill increases the maximum retirement annuity from $1,000 to $1,200, and makes retirement optional with the employee after 30 years' service, providing the employee is 60 years of age. The bill provides that the annuity shall be based on the employee's pay for any ten years of continuous service instead of the last years of service, as at present. (Press, Mar. 13.)

WHEAT REPORTED GROWN WITHOUT SOIL

A San Francisco dispatch to the press to-day says: "Growth of a superwheat that reached maturity in thirteen weeks with neither soil nor sunlight was announced at San Francisco yesterday by the University of California. The announcement follows completion of lengthy research in a laboratory on the university campus by Prof. A.R. Davis of the division of agriculture chemistry and Prof. D.R.Hoagland of the division of plant nutrition...."

THE RADIO BILL

With an amendment proposing a drastic change in the existing broadcasting system--an equal distribution of stations among the States and Territories upon the basis of population--the House passed a Senate bill yesterday to extend for one year the life of the Federal Radio Commission. The measure now must go back to the Senate for consideration of the House revision. Under its present grant the commission will cease to exist Thursday. (Press, Mar. 13.)

THE SECRETARY OF LABOR ON UNEMPLOYMENT

James J. Davis, Secretary of Labor, contributes an article to The Washington Post to-day in which he declares that many reports greatly exaggerate unemployment in the labor situation. Secretary Davis says in part: "The Department of Labor is tabulating the figures on unemployment....The figures so far gathered show conclusively that the volume of unemployment is nowhere nearly so great as has been supposed. The 'estimates' now current are proved to be wild and harmful guesses. ...In the best of times there are always about 1,000,000 people out of work in the United States. Some are ill or injured. Many have left a job in one city to take a job in another city. Some are the restless and nomadic. The seasons affect many in the building and garment trades and in farm or other outdoor work. These may be only temporarily out of employment, but on the books from which the records in the Department of Labor are taken these are rated as 'unemployed.'...While the present unemployment situation is nowhere near so alarming as interested parties endeavor to make it, it is sufficiently serious to give us earnest thought...."

Section 2

Cooperation

An editorial in Wallaces' Farmer for March 9 says: "We still find a few managers of cooperatives and a few directors who believe that the way to run a concern of this sort is to keep the membership as much in the dark as possible. More sensible managers and directors have found that this is the best way to invite dissension, decrease patronage and incur bankruptcy. J.W. Jones, of the Department of Agriculture, made a good statement on this the other day which is worth reading by anyone who has any connection with a cooperative institution. Mr. Jones said: 'Secrecy is bad policy. Members often get notions and then communicate these notions as facts and these supposed facts may be more unfavorable than the real facts, but on these the membership acts and reacts'....A cooperative that follows the policy of telling its members the truth will have its troubles but it will get over them. The main asset of any cooperative is the confidence of its members. A policy of secrecy puts that asset on the junk heap."

Cotton Conditions

A New Orleans dispatch March 12 says: "One of the week's developments in cotton has been the sharp advance in prices for Egyptian cotton. This has been in a measure due to reports of some falling off in prospects for the yield in the Egyptian Soudan, but it has also been due in part to political developments both in the Near and Far East, which, while threatening to give trouble to the British forces in that part of the world, would also make for less security in the growing and harvesting of the crops. Another important development of the week was the report of the Cotton Textile Association of New York, which indicates not only that production of cotton cloth was larger during February than in January, but that the proportion of sales and shipments compared with production has been larger than during the preceding month. These data, coupled with the reports of improved trade in the British spinning district of Lancashire, would seem to point to a gradual revival of activity in the manufactured product."

Florida Development

Manufacturers Record for March 8 says: "Burdette G. Lewis of the Penney Gwinn Farm Corporation, Green Cove Springs, Fla., in response to a query as to a report that his corporation had offered to contribute $10,000 a year for 10 years toward an advertising fund, wires the Manufacturers Record as follows: 'Offered to be one of 20 substantial interests to pledge $10,000 yearly for 10 years toward $1,000,000 annual fund to advertise Florida commerce, agriculture and industry chiefly, with less emphasis on "bathing beauties." This fund to be administered by the State Chamber of Commerce and to take the place of a large part of tax money and local sums set up for local advertising, all of which now are largely unplanned from a State-wide viewpoint. Such funds, wisely handled, for 10 years would create big returns for all Florida interests.' Here is a great opportunity for the big interests of Florida, such as great lumber companies, big land companies, railroads and others, to join in a publicity campaign worthy of that State...."

Gamekeepers' School

A school for gamekeepers, the first of its kind in the United States, will be established this spring at Clinton, N.J., according to an announcement March 9 by the Game Conservation Society, Inc. A tract of 1,400 acres has been leased with necessary buildings and equipment. Dwight W. Huntington, president of the society, said applicants will be

given free instruction to permit them to take charge of game bird raising for State departments, agricultural schools, sportsmen's clubs and private estates. It is expected the school will open about April 15. (A.P., Mar. 10.)

Irish Situation Dublin correspondence of The Economist (London) for February 25 says: "...Fianna Fail are taking legislative steps to substitute a Tariff Commission of the American type, having a political complexion, in place of the present Civil Service body. Governmental bills include a bill to apply official control to pork exports similar to that now exercised on butter and eggs. Another measure deals with afforestation, and a third with the regulation of the cooperative movement....In case the attack of foot-and-mouth disease in the Southeast does not prove to be serious, and given a reasonable continuance of the present improvement in trade, and the further immersion of the DeValera party in such sound and safe arguments as tariffs versus free trade, the steady functioning of Government in Dublin will be permanently established beyond peradventure--if it is not so already!"

London and Glasgow Meat Markets A London dispatch March 12 says: "London's proud position as the greatest meat center in Europe, with her Smithfield market and Islington cattle market, is being lost to Glasgow. Midland and inland cattle merchants say London has failed to develop with the requirements of the trade, and that her equipment and marketing methods are antiquated. At Islington last year the total number of sheep disposed of was 86,000 and cattle 24,000. In Glasgow 305,000 sheep and 51,000 cattle were slaughtered and sold."

Presidential Years and Business Theodore M. Knappen, writing under the title "Do Presidential Years Bring Good Business?" in The Magazine of Wall Street for March 10, says: "The American business world is obsessed with the idea that Presidential electoral campaigns are surcharged with business disturbing potency....There is not now the least sign that the issues between the two great parties will involve possibilities, according to the outcome of the election, of novel changes in national policy calculated to be of a nature that would inevitably depress or shock business. It is possible that there will be something like a well-defined cleavage between the great parties on the prohibition issue, but that is not charged with economic consequences that can be translated into upsetting apprehension during the campaign. The standard politico-economic difference between the two parties is the question of tariff policy, and that will be emphasized in party platforms this year. But the business world does not seem to be agitated by the prospect....The rise of manufacturing industry in the South has resulted in the complete overthrow of the free trade and revenue-tariff groups, the more so the latter as the introduction of the Federal income tax has relegated customs revenues to the background as a source of Federal funds....There is no general division of the two parties on questions of finance. Both are for the Federal Reserve System and neither contemplates any fundamental change in that system. Both are now sound money parties. Corporation baiting is out of fashion. Neither party contemplates a program of restrictive legislation aimed at big business....It is impossible to find any ground for fear, as matters now stand, that the outcome of the Presidential election may have results inimical to business that would cast their shadows before them...."

Rubber Restriction

A Singapore dispatch March 11 states that the Rubber Planters Association of Malaya has passed a resolution strongly opposing the removal of the restriction of rubber exports established by the Stevenson plan. The report says: "The Puala Lumpur Chamber of Commerce passed a resolution saying the solution of the rubber problem lies in the complete and effective cooperation of the Dutch East Indies and any control not embracing all exports from the eastern producing countries will be of little practical value to the Malay States. If such a course is impracticable, the resolution declared, the present restriction should be continued in a modified form. The Johore Planters Association signified that it supported the resolution of the Malaya Planters Association."

Stock Averages

A New Haven dispatch March 12 reports that the weekly index number of Stock Exchange prices compiled by Professor Irving Fisher and based on the week's fifty most active industrial stocks, reckoned on their average of 1926 as 100, is 264.4. This compares with 255.2 the week before. The average of three weeks ago was the highest for the year to date. The average of two weeks ago was the lowest.

Stock Market and Business

Lewis H. Haney, director of the Bureau of Business Research, New York University, writes on the stock market in business in The North American Review for February. He says in part: "Rarely, if ever, has the stock market appeared to get so far out of touch with business conditions as it has in the last year or two. Between the bottom of the market reached in 1921 and the peak reached in September, 1927, there was an advance of well over 150 per cent. The average of fifty stocks, including twenty-five railway stocks, showed an advance of about 185 per cent, and the average of 199 industrial stocks about 175 per cent. Compared with such gains, the increase in the volume of business, whether measured in physical quantities or values, appears to be relatively small. Between 1921 and recent months, the tonnage hauled by the railways of the country increased only forty-seven per cent, and the quantity of commodities produced by the leading industries of the country increased only 64 per cent. Thus it may safely be said that representative active stocks have risen in value much more than twice as fast as our industrial activity....The stock market has undergone great changes in the last few years and these have somewhat altered its basis of appraisal and its reactions to business conditions. Probably its recent course is partly due to the transition to a new regime....The cumulative effect of all these factors has been to place a large number of leading stocks on a higher level of values than ever before, and above all to insure a fair degree of stability for such values. The market perhaps has become less sensitive in anticipating or even in reacting to minor changes in business, and, during the past two or three years of transition to a new and higher basis of values, it has been slow to respond to unfavorable factors; but, if due allowance be made for money conditions and interest rates, it appears to have reflected rather accurately the many complex elements that form the whole business situation."

Wool Market

The Commercial Bulletin (Boston) Mar. 10 says: "A fair business is reported on Summer Street, considering the extent to which stocks of wool have been depleted. Medium to low wools are most wanted and in lightest supply. Contracting has been resumed in the Northwest this week on a moderate scale at slightly dearer prices. Foreign markets

are rising, fine wools being par to 5 per cent dearer and medium wools 5 to 7½ per cent up. London is expected to show a distinct advance Tuesday over the previous closing rates. The manufacturing outlook is regarded as rather more favorable."

Section 3
MARKET QUOTATIONS

Farm Products March 12. Livestock quotations at Chicago: Slaughter steers, good and choice, $13.25-$15.50; cows, good and choice, $8.25-$11.50; heifers, good and choice, $11.75-$13.50; vealers, good and choice, $12-$15; feeder and stocker steers, good and choice, $11-$12.50; heavy weight hogs, medium, good and choice, $7.95-$8.40; light lights, medium to choice, $6.85-$8.55; slaughter pigs, medium, good and choice, $6.25-$7.60; slaughter lambs, good and choice, $15-$16.65; feeding lambs, medium to choice, $13.85-$15.50.

Florida Spaulding Rose potatoes $11-$14 per barrel in leading city markets. Maine sacked Green Mountains $2.85-$3.15 per 100 pounds in eastern cities; $2.55-$2.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.20-$2.40 carlot sales in Chicago; $2.05-$2.15 f.o.b. Waupaca. Midwestern sacked yellow onions $4-$4.75 per 100 pounds in consuming centers; mostly around $4.50 f.o.b. West Michigan points. Texas round type cabbage $2.50-$3.75 per barrel crate in terminal markets; Florida pointed type $1.50-$2.25 per 1½ bushel hamper. New York Baldwin apples $7.75-$8.50 per barrel in eastern cities; cold storage stock $8 f.o.b. Rochester. New York and Michigan Baldwins $9.50-$10 in Chicago.

Average price of Middling spot cotton in 10 designated markets advanced 8 points to 18.40¢ per lb. March future contracts on the New York Cotton Exchange advanced 8 points to 18.48¢, and on the New Orleans Cotton Exchange they were also up 8 points, closing at 18.42¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.58 3/8-$1.64 3/8. No.2 red winter, Chicago $1.59½; Kansas City $1.53-$1.56. No.2 hard winter, Kansas City $1.42-$1.48½. No.2 hard winter (not on protein basis), Chicago $1.38¼-$1.39; Kansas City $1.29½-$1.31½. No.3 mixed corn, Chicago 92¢-94¢; Minneapolis 86¢-88¢; Kansas City 84¢-88¢. No.3 yellow corn, Chicago 95-97¼¢; Minneapolis 90¢-92¢; Kansas City 87-90¢. No.3 white oats, Chicago 53¾¢-59¢; Minneapolis 54-55½¢; Kansas City 57-59½¢.

Closing price of 92 score butter at New York was 51¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¼¢-29½¢; Young Americas 30¢. (Prepared by Bu. of Agr. Econ.)

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